



**FOREIGN
BROADCAST
INFORMATION
SERVICE**

Daily Report

Central Eurasia

**FBIS-SOV-94-071
Wednesday
13 April 1994**

Daily Report Central Eurasia

FBIS-SOV-94-071

CONTENTS

13 April 1994

INTERREGIONAL AFFAIRS

Foreign Ministry Previews 15 Apr CIS Meeting Agenda [ITAR-TASS]	1
CIS Ministers To Discuss Security Body [INTERFAX]	1
Nazarbayev Not To Attend Summit [ITAR-TASS]	1
ITAR-TASS Carries Press Review for 13 Apr	1

RUSSIA INTERNATIONAL AFFAIRS

Yeltsin Fears Air Strikes To Exacerbate Bosnian Conflict [INTERFAX]	3
Grachev Calls For More Ground Troops, Balkan DMZ [ROSSIYSKIYE VESTI 13 Apr]	3
Commander 'Extremely Negative' on Bosnia Air Strikes [Moscow Radio]	3
Rybkin Condemns NATO Air Strikes on Serbs [ITAR-TASS]	4
Duma Not 'Indifferent Observer' [POSTFACTUM]	4
Diplomat Expects 'Tough Talk' on Bosnia at UN [INTERFAX]	4
Churkin To Continue Bosnia Mediation [ITAR-TASS]	4
Communist Party Denounces NATO Action in Bosnia [ITAR-TASS]	5
Political, Social Groups Protest Gorazde Bombings [INTERFAX]	5
Russia To Oppose Further NATO Ultimatums on Serbs [AFP]	5
Abdulatipov Says Force Cannot Solve Balkan Crisis [ITAR-TASS]	6
Russia's Choice Concerned With FRY, Fleet Situations [INTERFAX]	6
NATO Strikes Cause Kozyrev To Shift on 'Partnership' [KOMMERSANT-DAILY 13 Apr]	6
NATO Strikes Seen Hitting Russia's Prestige, Reform [NEZAVISIMAYA GAZETA 13 Apr]	6
Ukraine's 'Provocative Acts' on Fleet Assailed [Moscow Radio]	7
Shumeyko Says Domestic Issues Behind Odessa Raid [ITAR-TASS]	8
'Shadowy Influence' Seen Behind Black Sea Fleet Incident [IZVESTIYA 13 Apr]	8
Black Sea Fleet Spokesman Describes 'Tense' Situation [INTERFAX]	9
Kasatonov Blames Kiev for Odessa Attack [KRASNAYA ZVEZDA 13 Apr]	9
Ukraine Agrees To Pay 'Huge Debt' for Gas [AFP]	9
Further Reportage on Yeltsin's Visit to Spain	10
Details on Second Day of Visit [ITAR-TASS]	10
Yeltsin Notes 'Renaissance' in Ties [ITAR-TASS]	10
Yeltsin Hold News Conference in Madrid [Russian TV]	11
Text of Russian-Spanish Treaty [ITAR-TASS]	12
Yeltsin Meets Spanish Businessmen [ITAR-TASS]	15
Departs Madrid for Barcelona [ITAR-TASS]	16
Abdulatipov Views CE Membership [ITAR-TASS]	16
Chernomyrdin, Kebich View Monetary Unification [ITAR-TASS]	16
Foreign Ministry: Latvian Bases Issue 'Settled' [INTERFAX]	17
French Foreign Ministry Condemns Zhirinovskiy Remarks [ITAR-TASS]	17
Russia To Promote Mideast Dialogue Through Syria [ITAR-TASS]	17
Iranian Ambassador, Duma Official Discuss Regional Issues [Tehran IRNA]	18
Burbulis: Kuril Islands Should Be Returned to Japan [INTERFAX]	18
Birobidzhan Sets Up Border Zone With China [ITAR-TASS]	18

RUSSIA NATIONAL AFFAIRS

Political Issues

Rutskoy on Possible 'Agreement' With Zhirinovskiy [Rome LA REPUBBLICA 13 Apr]	20
Yeltsin Aide: Media's Civic Accord Role 'Useful' [INTERFAX]	21
Filatov on Constitutional Court, 'Blacklist' [Moscow TV]	21
Draft Civil Code's Provisions [ROSSIYSKAYA GAZETA 12 Apr]	22
'Experts' List Most Influential Parliamentarians [INTERFAX]	23
Government Moves To Settle Miners' Conflict [ITAR-TASS]	23
Confirmation on Raising Retirement Pensions [Moscow Radio]	23
Yavlinskiy Explains New Reform Concept [Frankfurt/Main FRANKFURTER RUNDSCHAU 12 Apr]	23

Political Struggle Intensifies for 'Final' Reforms	[IZVESTIYA 12 Apr]	25
Illegal Election Campaign Donations Uncovered	[ROSSIYSKAYA GAZETA 12 Apr]	26
Pilots Association Warning on Russian Air Safety	[IZVESTIYA 12 Apr]	26
Impact of Migration Processes Examined	[ROSSIYSKAYA GAZETA 12 Apr]	27
Appeal Court: Andronov Article Violates Media Law	[ROSSIYSKAYA GAZETA 13 Apr]	27

Military, Space & Nuclear Issues

Chernomyrdin Speech on Cosmonautics Day	[Russian TV]	28
General Cites Peaceful Uses of Strategic Missiles	[ITAR-TASS]	28
Chelyabinsk Chemical Plant 'Disaster Area'	[INTERFAX]	29
Concern over Space, Air Defense Situation	[Moscow Radio]	29
Buran Shuttle Producers Beset by Economic Gloom	[PRAVDA 9 Apr]	29
Baykonur Rent Still Issue Despite Treaty	[MOSKOVSKIY KOMSOMOLETS 13 Apr]	30
Space Project With U.S. To Reach Sun, Pluto	[ITAR-TASS]	30

Economic Issues

Yeltsin Signs Budget Law for 2d Quarter	[INTERFAX]	31
Text of Law	[ROSSIYSKAYA GAZETA 13 Apr]	31
Chubays Notes Move to Investment Privatization	[ITAR-TASS]	31
Zaveryukha Previews Wholesale Food Markets Decree	[ROSSIYSKAYA GAZETA 12 Apr]	32
Fedorov on 'Claims' on Taxes, Russia's 'Collapse'	[IZVESTIYA 12 Apr]	32
Approval of New Tax Reduction Program Unlikely	[KOMMERSANT-DAILY 12 Apr]	33
Yarov Notes Unemployment, Poverty Figures	[ROSSIYSKAYA GAZETA 12 Apr]	33
Officials Differ on Unemployment Figures	[SEGODNYA 12 Apr]	33
Industrial Production Falls 25 Percent	[Radio Rossii]	34
Accelerated Rate of Industrial Decline Analyzed	[INTERFAX]	34
Skokov Finance Activities, Ambitions Viewed	[NEZAVISIMAYA GAZETA 12 Apr]	34
Unemployment Forecast for Graduates	[ROSSIYSKAYA GAZETA 12 Apr]	35
Private Farmers Hit by Financial Problems	[ROSSIYSKAYA GAZETA 12 Apr]	35

Federal Assembly

Duma Drafts Statement on Balkans Conflict	[INTERFAX]	35
Duma Rejects Zhirinovskiy Party Discipline Move	[NEZAVISIMAYA GAZETA 9 Apr]	36
Zhirinovskiy May Face Trial for Duma Brawl	[KURANTY 12 Apr]	36
Duma Faction Leaders View Accord Document	[ROSSISKIYE VESTI 12 Apr]	36
Duma Accepts Council Conciliation Proposal	[Moscow TV]	37

Regional Affairs

Balakovo AES Power Unit Shut Down	[ROSSIYSKAYA GAZETA 13 Apr]	37
Ingushis Protest Hostage-Taking by Ossetians	[ITAR-TASS]	38
Chechnya Appeal for Reconciliation Dialogue	[ITAR-TASS]	38
Bomb Explodes in Yekaterinburg Courtroom	[ITAR-TASS]	38
Yaroslavl Oblast Assisting Defense Conversion	[ROSSIYSKIYE VESTI 9 Apr]	38
Far North's Socioeconomic Problems Detailed	[TRUD 8 Apr]	39
Sakhalin's Agricultural Economy 'Collapsing'	[Vladivostok Radio]	41
Main Kamchatka Sea Route 'Totally Closed'	[ROSSIYSKAYA GAZETA 13 Apr]	42
British Firm To Co-Develop Urals Gold Deposit	[SEGODNYA 12 Apr]	42
Official Views Alaska Pollock Fishing Accord	[Magadan Radio]	42

UKRAINE

International Affairs

Fleet Council Calls for Release of Arrested Officers	[INTERFAX]	44
Navy Takes Over Black Sea Fleet Division	[POSTFACTUM]	44
Further on Takeover	[UNIAN]	44
Foreign Ministry Protests Over Odessa Situation	[UNIAN]	45
Foreign Minister on Fate of Black Sea Fleet	[UNIAN]	45
Kiev Places Black Sea Fleet at Odessa Under Army	[AFP]	45
Kiev Dismantles 'Disputed' Odessa Black Sea Fleet	[AFP]	45
Russian, Ukrainian Delegations Discuss Black Sea Fleet	[ITAR-TASS]	46
'No More Incidents' Reported From Odessa	[ITAR-TASS]	46
Talks on Black Sea Fleet End in 'Failure'	[UNIAN]	47
Russian Official Urges Caution Over Odessa	[INTERFAX]	47

Ministry Notes 'Regret' Over NATO Attack in Bosnia [Kiev Radio]	47
Foreign Ministry Laments Use of Force in Bosnia [ITAR-TASS]	48
Guards 'Showing Vigilance' on Borders With Russia, Belarus [ITAR-TASS]	48
First Shipment of Nuclear Fuel for Warheads Received [AFP]	48
Crimean Parliament Speaker Says Meshkov's Decrees 'Illegal' [UNIAN]	48
Gas Debts to Russia Promised Before July [ITAR-TASS]	49
Sevastopol Mayor Gives News Conference on Aid From Russia [INTERFAX]	49

National Affairs

Election Committee Chairman Reports on Voting Results [UNIAN]	49
Parliament Chairman Views Results [UNIAN]	50
Ukrainian National Assembly Satisfied [UNIAN]	50
Presidium Holds Session on Election Results, Other Issues [Kiev Radio]	51
Paramilitary Nationalists Win 3 Seats in Parliament [UNIAN]	51
Second Round Supreme Council Election Results Reported [UNIAN]	51
Repeat Elections Scheduled for 10 Jul [UNIAN]	52
Crimean President Meshkov Appoints Key Figures [INTERFAX]	52
Justice Ministry Criticizes Crimean President [Kiev International]	52
Four Southern Regions Sign Resolution on Closer Cooperation [KIEVSKIYE VEDOMOSTI 8 Apr]	52
Former Parliament To Resign 22 Apr [UNIAN]	53
Government Moves To Standardize Gas Payments [UKRINFORM]	53
Nuclear Power Output Fulfilled, 'Failures' Reported [UKRINFORM]	55

WESTERN REGION

Belarus

Committee Deems NATO Air Attacks on Serbs 'Aggression' [Minsk Radio]	56
Kebich, Chernomyrdin Sign Accord on Monetary Union [Minsk Radio]	56
BNF Nominates Paznyak, Promises 'Civilized' Campaign [Minsk Radio]	56

Moldova

Snegur Discusses Ways To Secure Ilascu Release [BASAPRESS]	56
Sangheli Speaks Against Monetary Union [INTERFAX]	56
Nation Seeking To Develop Danube Merchant Fleet [HOLOS UKRAYINY 8 Apr]	57

CENTRAL ASIA

Kazakhstan

Nazarbayev Issues Decrees To Boost Manufacturing [Almaty Radio]	58
Hosokawa Resignation Not To Affect Agreements [KAZTAG]	58
Results of Nazarbayev Tokyo Visit Assessed [TRUD 12 Apr]	58
Presidential Decree on Selling State Shares [Almaty Radio]	59
Exodus of Non-Kazakhs Seen as a 'Serious Blow' [IZVESTIYA 12 Apr]	59

Kyrgyzstan

Economic Cooperation Agreement Signed With Hungary [Bishkek Radio]	60
Akayev Rejects Accusation Agrarian Reform Unconstitutional [INTERFAX]	60

Tajikistan

Afghan Fighters Attack Russian Border Troops [INTERFAX]	60
Government Delegation Holds Talks in Moscow [Dushanbe Radio]	61
Agenda for Intra-Tajik Talks in Moscow Adopted [Dushanbe Radio]	61

Turkmenistan

New Presidential Press Secretary Appointed [Ashgabat Radio]	61
---	----

Uzbekistan

Karimov Discusses Economic Situation [INTERFAX]	61
---	----

CAUCASUS

Armenia

Azerbaijani Air Raids Detailed [SNARK]	62
Further Details, Fighting Updated [INTERFAX]	62
Further Details on Incursion [Yerevan Radio]	62
Assembly Urges Condemnation of Raids [INTERFAX]	62
Official Condemnation of Bombing [Yerevan Radio]	63
Air Force Again Bombs Stepanakert [Moscow TV]	63
Bagratyan Discusses Reopening Nuclear Power Plant [INTERFAX]	63
Opposition Condemn Reserve Call-up Methods [SNARK]	64

Azerbaijan

Five Die in Explosion on Passenger Train [AZERTAC]	64
Further Details of Aliyev's Visit to Border [Baku TV]	64
Aliyev Postpones Visit to Georgia [INTERFAX]	65

Georgia

Talks Begin on UN Overseeing Cease-Fire [AFP]	65
Geneva Delegations Disagree on Troop Deployment [ITAR-TASS]	65
Further Details of Disagreement [INTERFAX]	66
More on Shevardnadze's Support of NATO Strikes [Tbilisi TV]	66
South Ossetia To Declare Independence [IBERIA]	66
Zugdidi, Gali Refugee Situation 'Aggravated' [Tbilisi TV]	66
Parliament Fails To Continue With Ministers' Confirmation [Tbilisi Radio]	67
Council of Ministers Declares Spring Draft [ITAR-TASS]	67
Drafting of Reservists for Service Abolished [KOMSSOMOLSKAYA PRAVDA 9 Apr]	67

BALTIC STATES

Lithuania

Swedish Commander Says Arms Embargo May End [ETA]	68
New Regulations for Russian Army Officers Planned [INTERFAX]	68
Minister Receives Chinese Business Delegation [ETA]	68
Session With EFTA Termed 'Informative' [BNS]	68
Round of Free-Trade Talks Projected With EU [BNS]	68
Flux of Kurdish Refugees Continues [ETA]	69
Tourism Major Foreign Exchange Earner in 1993 [BNS]	69
New Staff Takes Over RAHVA HAAL [IZVESTIYA 12 Apr]	69
Spring Armed Forces Conscription Numbers 780 [BNS]	70
Official Says 7-8 Strong Mafia Groups in Operation [BNS]	70

Latvia

Riga Awaits Repeal of Russian Decision on Bases [ITAR-TASS]	70
Ministry: Number of Military Pensioners Growing [DIENA 5 Apr]	71
Data Presented on Discharged Military in Latvia [Riga Radio]	71
Ministry Protests to Belarus Over Minorities [Riga Radio]	71
Ulmanis, French Premier Discuss Ties With Russia [Riga Radio]	71
France's Juppe Pledges Support Over Russian Army [Riga Radio]	71
Russian Consulate To Open in Daugavpils [LETA]	72
Consulate Opens in Liepaja [LETA]	72
EFTA, Government Committee Meets on Cooperation [BNS]	72
Phone-Tapping Facility Found in Newspaper Office [BNS]	72

Lithuania

Lithuania Stalls Housing Project in Kaliningrad [Moscow TV]	72
Premier: Russian Trade Rules 'Discriminatory' [BNS]	73
U.S. Firm Winning Oil Terminal Bid Reported [TIESA 5 Apr]	73
Minister on Oil Terminal, Energy Prices [TIESA 7 Apr]	75

Foreign Ministry Previews 15 Apr CIS Meeting Agenda

LD1204223094 Moscow ITAR-TASS World Service in Russian 1555 GMT 12 Apr 94

[By ITAR-TASS diplomatic correspondents Vladimir Taranov and Boris Krivoshey]

[Text] Moscow, 12 Apr—The forthcoming Moscow meeting of leaders of the CIS states will be a significant event in the development of the Commonwealth. This was declared at a briefing today by Grigoriy Karasin, director of the Russian federation Foreign Ministry's Information and Press Department.

Those attending the meeting on 15 April will discuss a group of issues concerning implementation of the Treaty of Economic Union and will examine draft agreements on Ukraine's joining the Economic Union as an associate member, on the creation of an Interstate Economic Committee, and on the creation of a free-trade area.

During discussion of a number of military-political problems, Grigoriy Karasin noted, an update will be given by the council of commanders of the Commonwealth's border troops on the progress of the talks between the Russian Federation and the Central Asian and Transcaucasian states on cooperation with guarding their borders with third countries. Those attending the meeting are to endorse a new version of the Statute on the Council of Defense Ministers. They will consider a draft agreement on cooperation with mobilizing the economy of the Commonwealth countries, the spokesman for Russia's foreign-policy department said.

A package of issues relating to the situation in and around Tajikistan will occupy a special place on the Moscow summit agenda, Grigoriy Karasin emphasized.

CIS Ministers To Discuss Security Body

LD1204171594 Moscow INTERFAX in English 1300 GMT 12 Apr 94

[Text] The joint session of the Council of Defense and Foreign Ministers of the Commonwealth of Independent States will be held in Moscow on April 14, Interfax was told by a spokesman for the staff responsible for coordinating measures and military cooperation within the CIS countries.

The session plans to consider the issues regulating the activities of the Council for Collective Security and adopt a declaration about the body. Under consideration will be issues associated with the financing, composition of the staff and functions of the Council.

The Collective Security Council was created in 1993 by the decision of the CIS leaders. It is headed by Gennadiy Shabannikov.

The Council is participated in by those CIS countries which signed the treaty on collective security: Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. Moldova, Turkmenistan and Ukraine did not sign the document.

Nazarbayev Not To Attend Summit

LD1304080094 Moscow ITAR-TASS in English 0730 GMT 13 Apr 94

[Text] Moscow April 13 TASS—President of Kazakhstan Nursultan Nazarbayev will not attend the CIS summit opening in Moscow on Friday, TASS learned from reliable sources on Wednesday. The Kazakh delegation will be headed by Vice-President Yerik Asanbayev.

Although official reasons are not announced, sources in Alma Ata [Almaty] said the decision of Nazarbayev was caused by his disappointment with the CIS.

During his recent visit to Moscow Nazarbayev voiced an idea of creating an Euro-Asian Union instead of the CIS. Later, during a visit to Japan, he said the Commonwealth of Independent States has played its role and again advocated the idea of the new union.

Nazarbayev believes that the CIS has ensured a more or less stable transformation of former Soviet republics into independent states. Now the states which are ready for close ties should think about the Euro-Asian Union, according to the president of Kazakhstan.

[Moscow Mayak Radio Network in Russian at 0700 GMT on 13 April carries the following report: "Kazakhstani President Nursultan Nazarbayev's initiative to set up the Eurasian Union will be one of the main subjects for discussion at the Moscow meeting of CIS heads of state scheduled for 15 April. Among the tasks of the Eurasian Union is the drawing up of agreed economic reform programs."

ITAR-TASS Carries Press Review for 13 Apr

LD1304060394 Moscow ITAR-TASS in English 0551 GMT 13 Apr 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow April 13 ITAR-TASS—Russian newspapers comment extensively on the NATO airstrike at Bosnian targets near Gorazde.

"The strikes in Gorazde were made without consulting Moscow, but Moscow is again expected to display activity to bring the Serbs back to the negotiating table", NEZAVISIMAYA GAZETA says today. "This means that no one counted on the success of the airstrikes. The question is: What was the objective. In the military context the entire result of the operation is a couple or two smashed tanks and APC's (armoured personnel carriers)", the newspaper says.

"Can the fragments of the Bosnian settlement be collected?" ROSSIISKIYE VESTI queries. It publishes a survey of views on the NATO operation by officials of the Russian foreign and defence ministries, a parliament member and a scholar. State Duma subcommittee chairman Vyacheslav Nikonov said that "as a result of NATO unilateral military action Russian found itself practically excluded from the process of decision-making about the settlement of Bosnian crisis. This can exert a negative influence on the development of relations between Russia and the West and strengthen the position of those political forces in Russia which are against Russia's participation in the Partnership for Peace programme and the nationalist forces within Russia who criticise the present government's foreign policy".

KOMSOMOLSKAYA PRAVDA recalls that "53 years ago today, several hundreds of German planes dropped 360 tonnes of bombs on Belgrade. Airstrikes continue today. The Balkans, where the First World War began, are being bombed. Prominent historians utter fearful but just words: "The Balkans are a convenient place for unleashing world wars".

"Bosnia: Fewer Chances for Peace" is a title in KRASNAYA ZVEZDA. "The situation in Bosnia has once again demonstrated two approaches to the settlement," the newspaper says. "Russia is committed to reason, to difficult, albeit slow negotiations. The United States and NATO rely on military force."

PRAVDA carries an article by its special correspondent Nikolay Krivomazov from the area of NATO combat activities in the Balkans, "where for the first time after the Second World War foreign planes are bombing slav lands. Here in Sarajevo one becomes particularly aware that the First World War began in this place. Will the fuse in the Balkans set aflame by the Kremlin perestroika set off a bomb that will shake the world?".

TRUD singles out the view of Sergey Shakhrai, vice premier and the leader of the Party of Russian Unity and Accord: "The airstrikes hit not only Serb targets but also the internal political situation in the Russian Federation: Nationalists are the only force that stands to gain from them in Russia".

An interview with Belarussian parliament chairman Mecheslav Grib is published by KRASNAYA ZVEZDA. Asked whether the republic's sole orientation towards Russia threatens its sovereignty, Grib said: "It is a question of an economic alliance, of which there are many in the world. As concerns the alleged threat to our sovereignty from a political alliance, I must say that no talks on this subject have been or are being conductive. Russia does not encroach on Belarus's independence—I am saying this with full confidence. The item on the agenda now is economic alliance between our countries. The unification of the monetary systems of Russia and Belarus must be the first step towards it. Unfortunately, the process has been drawn out for too long.

Yeltsin Fears Air Strikes To Exacerbate Bosnian Conflict

LD1204220394 Moscow INTERFAX in English 2044 GMT 12 Apr 94

[From the "Diplomatic Panorama" feature: Reports by Diplomatic Correspondents Igor Porshnev, Vitaliy Trubetskoy, and others]

[Text] Russian President Boris Yeltsin expressed the hope that the NATO air strikes against Serbian positions near Gorazde would not contribute to confrontations or increase the scale of the bloodshed. He told an INTERFAX correspondent in Madrid Tuesday that Russia will keep in touch with Butrus Butrus-Ghali and Bill Clinton to avoid a repetition of the incident.

Grachev Calls For More Ground Troops, Balkan DMZ

PM1204182394 Moscow ROSSIYSKIYE VESTI in Russian 13 Apr 94 pp 1,3

[Unattributed roundup: "Can the Fragments of a Bosnian Settlement Be Put Back Together After NATO Air Strike?"]

[Excerpts] [Passage omitted]

Russian Federation Defense Ministry's View

In a phone call to U.S. Defense Secretary William Perry, Russian Defense Minister Pavel Grachev has expressed serious concern over the NATO bombers' air raid against the Serb positions near the Bosnian town of Gorazde. The "hot line" conversation was at the American side's request. Pavel Grachev stressed that the use of military force, particularly from the air, is incapable of producing a positive result in resolving the conflict in the region. The Russian minister advocated sending additional peacekeeping ground forces to the confrontation zone. And, Pavel Grachev noted, the warring factions should retreat to their previous positions, which will make it possible to create a demilitarized zone in the Balkans. [passage omitted]

"At the request of Serbian President Milosevic, I am currently heading for Pale, the Bosnian Serb capital, to attempt to put back together [sobrat] the fragments of the Bosnian settlement process," Vitaliy Churkin, the Russian president's special representative and Russian Federation deputy foreign minister, told an ITAR-TASS correspondent in Belgrade.

Following the NATO air strikes, he continued in the interview, the Bosnian Serbs stated that they were ending all cooperation with the UN forces. Nonetheless, during today's meeting with President Milosevic we reached an understanding that the process should not be allowed to drift, and that it is necessary nonetheless to reach a cease-fire agreement—which has not proved possible in the past few days.

It is a question of a truce along the entire frontline, ideally starting with Gorazde. Since in recent hours there had again been alarming reports about the resumption of the shelling of this town, the Russian diplomat noted, I put this question to Milosevic, who contacted Bosnian Serb leader Karadzic, who subsequently ordered that the shelling of Gorazde be stopped.

In my assessment, V. Churkin said, in the case of Gorazde there is a strong element of uncontrolled military action on the part of both the Serb and Muslim sides. It should not be forgotten that it was the Muslims who initiated hostilities in Gorazde, despite the fact that the region had been declared a "protected area" by the United Nations.

But, on the whole, a very serious position has now come about and a qualitatively new element has arisen—intervention in the Bosnian conflict by the United Nations and the international community. There is a tendency to slide into even greater confrontation. This is what we are now making every effort to avert, and we believe that the main way is to conclude a truce agreement.

V. Churkin noted that nobody on the UN or NATO side consulted with Russian representatives before the air strikes, even though there had been enough time to do so. Unfortunately, the consultation mechanism failed to work. Admittedly, he added, the Bosnian Serbs did not consult us either. When we asked and warned about the dangerous development of the situation, they replied that they had no plans in respect of Gorazde and that the Russian side had no need to take any major action to normalize the situation in Gorazde. All parties could have made greater efforts to ensure that Russia provided mediation assistance, but this was not done.

When asked about possible new NATO action against the Serb side in Bosnia, the Russian diplomat replied that "no possible action can now be ruled out."

Commander 'Extremely Negative' on Bosnia Air Strikes

LD1204192994 Moscow Mayak Radio Network in Russian 1830 GMT 12 Apr 94

[From the "Slavyanka" program of the Russian Defense Ministry]

[Text] Colonel General Yevgeniy [as heard] Podkolzin, commander of the Russian airborne troops, has spoken in extremely negative terms about NATO's decision to carry out air raids in Bosnia.

The general said that the Russian servicemen see their task in this conflict as bringing peace to people, rather than resorting to such extreme measures, which are capable of causing a military conflagration in the entire Balkan region.

Rybkina Condemns NATO Air Strikes on Serbs

LD1204213494 Moscow ITAR-TASS World Service in Russian 1549 GMT 12 Apr 94

[By ITAR-TASS correspondent Andrey Krasnoshchekov]

[Text] Strasbourg, 12 Apr—We have witnessed force becoming the main argument in a political dispute many times. But recent examples set by Russia in helping to bring about a settlement of the conflict in Bosnia-Herzegovina have clearly demonstrated to the whole world that it is possible to manage without using or threatening force in political dialogue.

So it is extremely distressing that we have witnessed a departure from civilized forms of political dialogue with the air strikes by NATO aircraft in the Gorazde region and have slipped back into methods of force. Vladimir Podoprigrora, chairman of the International Affairs Committee of the Russian parliament's Federation Council, made these remarks in an interview with the ITAR-TASS correspondent. He is in Strasbourg as part of a Russian Federation Government delegation which is taking part in the work of the latest session here of the Council of Europe's Parliamentary Assembly which unites 32 European states.

Duma Not 'Indifferent Observer'

LD1304094294 Moscow POSTFACTUM in Russian 0810 GMT 13 Apr 94

[Text] At the State Duma sitting on 13 April, Ivan Rybkin, chairman of the parliament's lower chamber, read his statement regarding the NATO air strikes against Serb positions near the Bosnian town of Gorazde. Rybkin said that the State Duma was not going to remain an indifferent observer. He demanded that NATO should immediately stop its unsanctioned and unilateral use of military force and called upon the parliaments of all countries to actively participate in developing the process of peaceful political settlement of the Yugoslav crisis.

The speaker's statement was not enough for the State Duma's deputies and they decided to discuss the issue at the plenary meeting on 15 April. A relevant proposal was submitted by the LDPR [Liberal Democratic Party of Russia], PRES [Party of Russian Unity and Accord], and Agrarian Party Duma groups.

Diplomat Expects 'Tough Talk' on Bosnia at UN

LD1204213094 Moscow INTERFAX in English 2044 GMT 12 Apr 94

[From the "Diplomatic Panorama" feature: Reports by Diplomatic Correspondents Igor Porshnev, Vitaliy Trubetskoy and others]

[Text] As INTERFAX has learned from Russia's foreign ministry, on Tuesday the UN Security Council will

examine the situation in former Yugoslavia following NATO's air strikes on the Serb positions at Gorazde (Eastern Bosnia).

In an interview with INTERFAX, a top Russian diplomat forecast a tough talk in New York.

In his words, the Russian representative will apparently ask why Moscow was informed of the decision to use force in Bosnia-Herzegovina post hoc. In terms of politics, such an attitude toward Russia as a partner is inadmissible. However, in practical terms, not everything is unequivocal, the diplomat said. How smart we would be, if information on strikes would reach us a few minutes before their delivery, as happened to Britons, if media are to be believed. In this case, Russia's "no" might be ignored for purely technical reasons: The mechanism of a war machine is already in motion.

The diplomat stated that Russia is now the only country that the Bosnian Serbs agree to deal with. After what happened they have abandoned contacts with UN, charging this organization with a pro-Moslem slant. Mediation has been conducted by the Russian President's Special Envoy, Deputy Foreign Minister Vitaliy Churkin. Apparently, his current efforts would be unnecessary, if Russia had been told about the decision to strike on Bosnian Serbs in advance, he suggested.

He regards as extremely unlikely the possibility of NATO's further air attacks against Bosnian Serbs without consultations with UNPROFOR [UN Protection Force]. Hypothetically, this could be the case only if Serbs downed a NATO plane, he said.

In his opinion, all three sides—the Serbs, the Moslems, and UNPROFOR need restraint more than anything else. If the parties stir further hostilities, the situation may get out of control, he said.

Churkin To Continue Bosnia Mediation

LD1204195494 Moscow ITAR-TASS in Russian 1823 GMT 12 Apr 94

[By ITAR-TASS correspondent Aleksandr Kondrashov]

[Text] Belgrade, 12 Apr—"I will stay in Sarajevo to continue the mediation in contacts between representatives of the Bosnian sides and the U.N. command and achieve easing of tension," special representative of the Russian President Vitaliy Churkin, currently in Pale, told ITAR-TASS over the telephone today.

"Unfortunately, I can give no optimistic forecasts. Despite the fact we have managed to ease the situation around Gorazde, the general military-political situation in Bosnia is very complicated after the air-strikes," he said.

"The Serb side refuses to meet representatives of the U.N. force command for understandable reasons. I have to make shuttle trips between the Serb and Muslim parts

of Sarajevo as part of my mediation. This is what I have been doing for two days, this is what I will do on Wednesday.

"There will be more meetings with Radovan Karadzic and the U.N. force command. I also keep contact with Serb President Milosevic," said Churkin.

Asked about the truthfulness of reports saying NATO aircraft bombed downtown Gorazde by mistake on Monday, the Russian diplomat said "Mr. Karadzic told me about it, however, representatives of the U.N. force command deny the information".

Communist Party Denounces NATO Action in Bosnia

LD1204181994 Moscow ITAR-TASS in English 1757 GMT 12 Apr 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow April 12 TASS—"The central executive committee of the Russian Communist Party strongly protests against NATO aggressive actions in Bosnia," says a statement of the communist party's central executive committee circulated here today.

The document calls on factions of the State Duma and the Federation Council to denounce the policy of the United States and NATO in Bosnia, which does not help to achieve peace in the region.

It says that peace in former Yugoslavia can be achieved with exclusively political means.

Political, Social Groups Protest Gorazde Bombings

LD1204235194 Moscow INTERFAX in English 2101 GMT 12 Apr 94

[Text] The central executive committee of the Russian Communist Party distributed a statement among the deputies of the State Duma Tuesday protesting against NATO's actions in Bosnia.

"While diplomats of all interested sides are trying to find a way out of the Balkan crisis, NATO is openly interfering in the civil war favoring one of the sides and demonstrating to the whole world that the nature of this alliance has not changed," the statement stipulated.

According to the committee, the bombings of Serb positions by NATO planes must serve as a warning for those countries which welcome Clinton's Partnership for Peace program.

The Russian Communist Party appealed to the State Duma and the Federation Council to condemn the U.S. and NATO policies which bring death and destruction to Bosnia and does not contribute to the establishment of peace in this region.

The statement also contains an appeal to European parliamentarians meeting in Strasbourg this week to call on their governments to put an end to NATO's policy of aggression and seek the establishment of peace in Bosnia by political means.

Russian Communists also demanded that economic and political sanctions against Yugoslavia be immediately lifted.

In the meantime, the opposition Russian All-People Union (RAPU) headed by Sergey Baburin sent a statement to Interfax. The document states that Russia must take a firm stand in the resolution of the Yugoslav conflict following NATO's bombing Serb positions near Gorazde.

According to RAPU, Moscow should call a special session of the U.N. security Council in the wake of the bombings, which it describes as constituting a breach of stability in Europe.

The union said it was categorically against any unilateral actions in Yugoslavia and for reasonable consideration of the interests of Orthodox and Moslem Serbs, with unconditional respect of the independence, sovereignty and territorial integrity of Yugoslavia and without attempts to thrust a decision from outside upon its people.

The Society for Russo-Serb Friendship told Interfax that activists of the society and a number of national patriotic movements and representatives of the Serb community picketed the U.S. embassy in Moscow Tuesday protesting against the bombings.

The society's secretary, Mikhail Kazmin, pointed out that the demonstrators harshly condemned the U.S. policy in the Balkans which had led to the escalation of the Yugoslav conflict into a large-scale war and had aggravated tensions both in Europe and the whole world.

Russia To Oppose Further NATO Ultimatums on Serbs

AU1304114494 Paris AFP in English 1130 GMT 13 Apr 94

[Text] Moscow, April 13 (AFP)—Russia warned Wednesday [13 April] it would oppose any fresh NATO ultimatums to Bosnian Serb forces if not consulted beforehand and called for urgent international efforts to defuse military tensions in Bosnia.

"We insist on unconditional respect of the procedure for using aviation in Bosnia approved by the UN Security Council, which calls for consultations between the UN secretary general and members of the Security Council," the Russian Foreign Ministry said in a statement.

Abdulatipov Says Force Cannot Solve Balkan Crisis

LD1304101694 Moscow ITAR-TASS in English 0934 GMT 13 Apr 94

[By ITAR-TASS correspondent Andrey Krasnoshchekov]

[Text] Strasbourg April 13 TASS—"If NATO air strikes in the area of Gorazde could help settle the Bosnian crisis, this would be the only correct solution," deputy speaker of the the Russian Parliament upper chamber Ramazan Abdulatipov who now participates, as a member of the Russian parliamentary delegation, in a regular session of the Council of Europe parliament assembly, said in an interview with ITAR-TASS here on Wednesday.

"But I know from my own experience that the use of force only aggravates, as a rule, the state of racial relations and does not lead to the solution of a problem," he added.

"In my opinion," Abdulatipov stressed, "the true solution of the problem is not in Washinton or Moscow, as some people believe, but in the land of Croats, Serbs and Moslems. No way out of the crisis will be found until they come to agreement with each other."

He expressed apprehension at the same time that this action can be used by chauvinistic forces in Russia to "revive Slavic nationalism". "This is not in the interests of Russia. Besides, this does not settle the Bosnian problem," Abdulatipov stressed.

Russia's Choice Concerned With FRY, Fleet Situations

LD1304110994 Moscow INTERFAX in English 1007 GMT 13 Apr 94

[Text] On Wednesday the Russia's Choice faction in the State Duma distributed two statements in which it expresses concern due to the situation in the former Yugoslavia and the recent incident in one of the units of the Black Sea Fleet in Odessa.

In particular, the document on the situation in Bosnia and the bomb strikes of the Serbian positions in the region of Gorazde inflicted by NATO aviation, points out that as a permanent member of the UN Security Council Russia "cannot stand aside from such responsible decisions and should not associate itself with forcible actions which it has not sanctioned."

At the same time the faction expressed conviction that there cannot be any success without Russia's everyday contribution into the settlement process in the former Yugoslavia. "One should act resolutely in order to put an end to deaths and deprivations of innocent civilians, to violence and terror, to any provocations whoever provokes them," the statement reads.

The Russia's Choice faction also declared that the incident connected with the seizure of the territory of the Black Sea Fleet's 318th squadron in Odessa and the arrest of its officers and employees by the Ukrainian special purpose forces "can aggravate relations between Ukraine and Russia."

The indefinite status of the Black Sea Fleet "is fertile ground for further dangerous provocations," says the document. "We welcome the decision of Russian and Ukrainian presidents to resume negotiations on the status of the Black Sea Fleet and call on them to force diplomatic efforts in this important sphere of bilateral relations," declared the Russia's Choice faction.

NATO Strikes Cause Kozyrev To Shift on 'Partnership'

MK1304081094 Moscow KOMMERSANT-DAILY in Russian 13 Apr 94 p 4

[Sergey Tsekhmistrenko report: "Russia and NATO Bomb Strikes in Bosnia. The Slap in the Face From Partners May Cost the 'Partnership' Plenty"]

[Excerpt] [Passage omitted] The events in Bosnia may seriously affect the future of Russian-NATO relations within the "Partnership for Peace" program. Although officials at the Russian Foreign Ministry have assured your KOMMERSANT-DAILY correspondent that Russia's signing of the "Partnership for Peace" will take place on the date agreed earlier, neither can one rule out a different option. Since the events in Yugoslavia, to all appearances, are becoming yet again a factor in Russia's domestic political struggle, there is a high degree of probability that the Kremlin may opt to postpone the signing. Otherwise it risks turning into too comfortable a target for the opposition, which is always ready to raise an outcry over "the sellout of Russia's national interests." It is not a coincidence that even the voice of the most steadfast proponent of "Partnership for Peace"—Andrey Kozyrev—has acquired new undertones. After talks with Javier Solana, chief of the Spanish Foreign Ministry, Kozyrev stated that Russia—as a great military and nuclear power—lays claim to a special role within the "Partnership." All the more so because, the minister said, Moscow is inclined to see the NATO initiative as just one of a number of programs, not the most important one at that, in the process of creating a single Europe.

NATO Strikes Seen Hitting Russia's Prestige, Reform

MK1304080094 Moscow NEZAVISIMAYA GAZETA in Russian 13 Apr 94 p 1

[Mikhail Karpov report in the "Balkans" column: "NATO Hits the Serbs. Leaving Russia to Reconcile Them With the Muslims and the Croats"]

[Excerpt] [Passage omitted] The strategic line of Russian diplomacy from the very start of the Balkan crisis has

been based on the postulate, "there are no innocents, all are guilty," boiling down to a very simple but at the same time most effective "pressure on all sides" formula. It is hard to believe that such an approach was shared by the West. Because in that event things might not have reached the point of air strikes. It would have been fairly easy: The United States and the FRG, which have certain influence with the Croats and Muslims, exert the same pressure on them as Russia on the Serbs, and the issue is settled. In fact, however, something totally different happens. Why should the Muslims sit down at the negotiation table if they can simply wait until the Serbs are showered with bombs, abandon their positions, liberating the "vital space" for the enemy, after whose incorporation to the territories that are already under its control the subject of negotiations itself will disappear? Judging by the statement of a Bosnian leader, Ganic, who suggested that after the strikes against the Serb positions fire should be moved to their rear areas, depots, and communications, the Muslims understand this very well. Russia too could be shown its "real place."

The latter task, incidentally, is now being tackled by anyone willing. Spanish Foreign Minister Javier Solana missed no chance, in the course of the Russian Federation president's visit to Madrid, to express his satisfaction with the actions by NATO aviation, although it is difficult to believe that he is unaware of Yeltsin's reaction to Kozyrev's statement in Madrid on this issue.

The West is apparently little concerned also about the internal political complications arising from its actions both for the Bosnian Serbs and for Russia. In both countries the hawks' feathers have stood on end. It is one thing to hold debates with Radovan Karadzic and quite another with Ratko Mladic; with professional Russian diplomats or, say, "geopoliticians" from the Duma committee of the same name.

In addition to Christopher's statements that the United States and the Russian Federation have the same goals in Bosnia, now even protestations of the West's interest in the success of Russia's reform appear dubious. According to PRES leader and Vice Premier Sergey Shakhrai, subjected to NATO bombing were "not so much Serb positions in the conflict zone as the internal political situation in Russia." In his opinion, decision-making in circumvention of it is "a slap in the face of the Russian Federation" and, indirectly, "a strike against Russian reforms, and a very telling one," which has benefited "the national patriots." [passage omitted]

Ukraine's "Provocative Acts" on Fleet Assailed

LD1204155994 Moscow Mayak Radio Network in Russian 1230 GMT 12 Apr 94

[Part] of statement by Grigoriy Karasin, director of information and press department of Russian Foreign Ministry, at news conference in Foreign Ministry press center on 12 April—recorded]

[Text] Ukraine: A statement by the government of the Russian Federation. In the past few days the Ukrainian authorities have carried out a series of provocative acts against facilities and servicemen of the Black Sea Fleet, which have threatened to escalate into armed clashes.

On 8 April the Ukrainian authorities used armed force in an attempt to take over in the port of Odessa the Black Sea Fleet's hydrographic vessel *Cheleken*, which was carrying out scheduled work to service navigational equipment in the Black Sea. In order to find a peaceful solution to the conflict, the ship's commander showed the Ukrainian representatives the required ship's documents. No infringement was identified.

Nonetheless, the Ukrainian side forcefully attempted to detain the vessel and to prevent the *Cheleken* from entering Sevastopol. On the night of 10-11 April a unit of Ukrainian servicemen numbering up to 120 men seized by force the 318th Division of Black Sea Fleet reserve vessels, their shore base, communications unit, weapons, and property. The commanders of the division, Captain Feyokistov and Commander Starikov, were arrested and taken in handcuffs to the commandant's office.

The personnel of the shore station were immediately taken to the village of (Chuhanka), 10 km from Odessa. Some of the personnel of the vessels and members of their families were kept isolated on the territory of the division's garrison. During the action the servicemen and civilians were subjected to taunts and beatings.

This action by the Ukrainian authorities is a gross violation of the understandings between the president of Russia and the president of Ukraine on refraining from unilateral actions in respect of the Black Sea Fleet until the problem of the Black Sea Fleet, all agreements between Russia and Ukraine on this issue, and the flouting of the norms of international law, including human rights, are resolved.

There is no doubt about the provocative nature of these actions. The government of the Russian Federation is making an emphatic protest to the government of Ukraine in connection with such actions and demands the immediate release of the Black Sea Fleet servicemen and family members, as well as immediate restoration of the status quo in respect of the fleet's installations prior to these provocative actions. It demands that an investigation be launched and all necessary measures taken against the culprits.

The government of the Russian Federation stresses that Russia's course in respect of Ukraine has been and remains a course of friendship and cooperation.

May I add to what has been said in the statement that what has happened in Odessa is certainly an example of crude, perhaps even shameful, methods of resolving things. All the more so since we are talking about the one Black Sea Fleet, which is under the joint command of Russia and Ukraine. The Russian side has as a matter of urgency sent Admiral Feliks Gromov and special envoy

Yuriy Dubinin to Ukraine with the aim of looking into what happened on the spot, with the involvement of the Ukrainian side.

A whole series of questions arises over this incident. First, why did this happen just now? Second, who stands to gain from aggravating relations and increasing suspicion between Ukraine and Russia? We are convinced of the need for a joint, constructive approach to dealing with all the issues which have arisen. This is what is demanded by the long-term interests of inter-state relations between Russia and Ukraine.

Shumeyko Says Domestic Issues Behind Odessa Raid

LD1204163494 Moscow ITAR-TASS in English 1152 GMT 12 Apr 94

[By ITAR-TASS correspondent Snoshchekov]

[Text] Strasbourg April 12 TASS—A raid on Russian naval ships in Odessa should not be viewed as a sign of the conflict between Russia and Ukraine. Vladimir Shumeyko, chairman of Russia's Federation Council, told this a news conference here. He stressed that the events had "manifested the will of some politicians to capitalise on some differences between the two states in the interests of their own career."

The events in Odessa have been above all a manifestation of Ukraine's political problems and should not be classed with interstate relations, Shumeyko said. He believes that they are connected with political manoeuvres of one of Ukrainian groups that are ready to go any lengths to prevent a rapprochement between Ukraine and Russia. "In any case the incident should be approached with calm. There is no need to aggravate the situation. The way out will be found," said the speaker of the upper house of the Russian Parliament.

Shumeyko is staying in Strasbourg at the invitation of the Council of Europe at the head of a Russian parliamentary delegation that participates in a regular session of the parliamentary assembly of the Council of Europe.

'Shadowy Influence' Seen Behind Black Sea Fleet Incident

PM1204163794 Moscow IZVESTIYA in Russian 13 Apr 94 p 1

[Teymuraz Mamaladze report: "Black Sea Fleet Incident Could Escalate Into Armed Conflict"]

[Text] The much-loved naval game of tug-of-war has currently taken on threatening overtones in Crimea and the Black Sea Fleet. The style of the reporting on the attempted detention of the hydrographic vessel Cheleken would have been reminiscent of a pirate novel—had not means been used which were not even dreamed of in the days of the "Jolly Roger." The missile-armed Su-15 ground-attack aircraft scrambled by the Ukrainian Air

Defense forces and the high-speed cutters of the Ukrainian Border Guards which tracked the ship belong more to a modern armed conflict—which is all the more likely because a Black Sea Fleet battle group came out to escort the Cheleken.

This time, it seems, God was merciful, or some naval official had second thoughts. Talks began in Kiev. It blew over. Will it blow over the next time, when it is not a taut rope but someone's nerves that crack?

This protracted Black Sea tug-of-war contest, in which the "teams" are battling for the prize of the property and status of the Black Sea Fleet units, is accompanied by an exhausting war of nerves, largely provoked by the sides' press centers and the mass media. Those who claim that unchecked and often concocted information (disinformation) works like a slow-burning fuse are absolutely right. As Emil Pain, member of the Presidential Council, stated in an interview with an ITAR-TASS correspondent, the appearance in the mass media of Black Sea Fleet situation reports that often fail to accord with reality excessively aggravates the situation. The demand that any report from the region be carefully checked out is undoubtedly correct. The trouble, though, is that the speed at which "disinformation" can be verified may not coincide with the firing speed of multiple rocket launchers.

The sides are disseminating mutually exclusive versions of events. It seems as though these versions, numbered with different figures and painted in different national colors, are becoming a kind of infection typical of this time of conflict. The news fabric is being woven out of scraps, each of which has its own message at odds with the others. Public opinion is disoriented. These clashing versions are striking the spark that may cause the explosion, after which people will no longer ask who gave the order. Before that happens, we should ask who is fabricating these explosive reports and to what end.

The incident of the Cheleken and the 318th Division of ships of the Black Sea Fleet reserve prompts us for the umpteenth time to consider the existence of a shadowy influence on big-time politics. After all, it is quite obvious that this latest "contest" was organized in circumvention and behind the backs of the top "referees"—the Russian and Ukrainian presidents, and their agreement to refrain from unilateral action over the Black Sea Fleet. People have tried to cut down with the ax of shadowy schemes what was written with the pen in Yalta and Massandra. As one learned expert on the question has written, there still exists—aside from the patent, obvious, and even specially presented picture of political life—another, hidden intrigue of events that is inaccessible to the public gaze and controls.

Which in this instance is deadly dangerous. In this connection, here is another statement from a man to whom the dangerous games over the Black Sea Fleet are of interest since they pose a most serious threat to

general peace: "A conflict between Russia and Ukraine could make events in Bosnia look like a Sunday-school picnic." (Richard Nixon).

Black Sea Fleet Spokesman Describes 'Tense' Situation

LD1204233794 Moscow INTERFAX in English 2101 GMT 12 Apr 94

[Text] The press center of the Black Sea Fleet has informed Interfax about the details of Saturday night's attack by a Ukrainian special force on a naval group of conservation ships stationed in Odessa.

At 22:45 seven Ural trucks carrying Ukrainian paratroopers stopped near the Potemkin stairway.

They broke the window of the checkpoint, entered the territory of the facility and opened the gate. Thirty one sailors were detained and 25 persons were taken to Chabanka near Odessa.

According to the head of the press center Andrey Grachev, the Ukrainian paratroopers looted the facility taking away personal and naval property.

Later the Ukrainian Defense Ministry issued an ultimatum: officers who fail to take an oath of allegiance to Ukraine by 20:00 on April 12 will be expelled to any other CIS member- country.

Grachev also said that at the moment a Black Sea Fleet unit in Nikolayev is being besieged. On Monday evening a KRAZ truck with the markings of the Ukrainian Armed Forces and soldiers in camouflage suits attempted to enter an intelligence unit of the fleet.

In Grachev's opinion a similarly difficult situation might emerge in Izmail garrison where river boats of the Black Sea Fleet are stationed. The Deputy Commander of the Odessa Military District Lieutenant-General Chernyarenko arrived there on Tuesday. After his arrival naval commanders met with a representative of the Ukrainian security force and the city administration. The local administration was warned that in the event of any steps by Black Sea sailors adequate measures would be taken.

The head of the press center said the three naval officers arrested in Odessa were released: the commander of the group Oleg Feoktistov, the commander of the base Dmitriy Starikov and the chief of staff of the naval group Aleksandr Zelenko.

Kasatonov Blames Kiev for Odessa Attack

MK1304073094 Moscow KRASNAYA ZVEZDA in Russian 13 Apr 94 p 1

["Own correspondent" report under the general headline: "We Must Not Become Hostages to Expediency. This Is Not in Russia's and Ukraine's Interests"]

[Text] In the view of Admiral Igor Kasatonov, first deputy commander in chief of the Russian Federation

Navy, the Odessa events amount to "a state armed action aimed against Russia." If logic is to be followed, Ukraine, which is trying to justify the actions of special purpose unit members, should long have commanded "Halt," the admiral noted. Events are unfolding further, however; the Black Sea Division has been proclaimed "Ukrainian," and by the time Adm. Feliks Gromov, commander in chief of the Ukrainian Navy, comes to Odessa, Ukrainian flags will be hoisted along with other trappings of "the nationalization" of a Russian military unit. This "state hooliganism" has also discredited even the date of Odessa's liberation, and efforts to seize the hydrographic ship have disrupted the navigation security system in the Black Sea, Adm. Kasatonov stressed. Arrests and harassment of Russian officers, and the sight of children wounded by splinters of broken glass were characterized by Igor Kasatonov as "an unprecedented action, in which the attacking side just waited for the Russian side to fire the first shot."

Ukraine Agrees To Pay 'Huge Debt' for Gas

AU1204153894 Paris AFP in English 1510 GMT 12 Apr 94

[Text] Moscow, April 12 (AFP)—Ukraine agreed Tuesday [12 April] to pay its huge debt for gas deliveries with cash payments and by offering Russia part ownership of pipelines and other facilities on its territory, officials said here.

The head of the Russia's giant Gazprom company, Rem Vyakhirev, said following talks here with an Ukrainian delegation that Kiev would pay 600 million dollars by June.

Ukrainian Deputy Premier Valentin Landik said that Kiev would privatise gas pipelines, port facilities in Odessa and other installations to allow Gazprom to buy stock in the newly-privatised companies.

Details of the plan have yet to be hammered out and the two sides agreed to establish working groups to determine how the shared ownership would be implemented.

"I guarantee deliveries for the summer," Vyakhirev said, adding: "We'll have to wait and see what happens for this winter."

Russia and Ukraine have been at odds over payment for gas deliveries, and the dispute forced Moscow to drastically cut the gas flow to Ukraine in March.

Gazprom has maintained that part ownership of the pipelines would allow it to better control deliveries to its European clients including France, Italy and Germany.

Further Reportage on Yeltsin's Visit to Spain**Details on Second Day of Visit**

*LD1204145994 Moscow ITAR-TASS in English 1430
GMT 12 Apr 94*

[By ITAR-TASS special correspondents Lyudmila Aleksandrova, Nikita Yermakov, Yuriy Sizov, Vladimir Shekhovtsov]

[Text] Madrid April 12 TASS—"The grateful nation to those who gave their lives for Spain." "The aches of the victims of the shooting of May 2, 1808 are buried in this field where their blood was spilt," read the signs on the obelisk in Madrid's Lealtad Square. Russian President Boris Yeltsin, on an official visit here, placed a wreath at this historic monument on Tuesday morning.

The monument was erected to commemorate the shooting in 1808 of Madrid people rebelling against French invaders. At the base of the obelisk there is an urn with the ashes of heroes. The obelisk is framed with statues symbolising loyalty, courage, virtue and patriotism.

The next stage of the programme of the Russian president in Madrid was a visit to the Madrid municipal council. Inspecting the guard of honour of the mounted municipal police, Boris Yeltsin, accompanied by Mayor of Madrid Jose Alvarez del Mansano, entered the building which was housing municipal authorities from mid-17th century. The edifice built in a severe style with the use of granite, bricks and tiles was later decorated in barocco style.

After members of the municipal council were presented to the head of the Russian state, the guest made an entry in the golden book. The mayor of Madrid presented Boris Yeltsin with the golden key to the Spanish capital.

Expressing gratitude for this gift, Boris Yeltsin said he was deeply moved by the fact that ordinary people in Spain wish success to Russia in its democratic transformations. "This is the best evidence that the striving of Russian and Spanish politicians to strengthen relations between the two countries will be given support of the people," he said.

The president favoured the development of Russo-Spanish ties in every direction so that "there should be less cool formalism and more life and specific useful deeds in it. Both Spanish and Russian people will feel cramped by official formalities." Boris Yeltsin said "the style of Russo-Spanish cooperation will be determined by hospitality, profound mutual sympathy and hospitality."

He assessed the presentation of the key to Madrid to him as a symbol of confidence and friendship to the Russian people and an evidence of the intention to develop and deepen cooperation with Russia. "Accept my assurances that Russians have the same feelings for the Spanish people," Boris Yeltsin said.

The palace of Cortez where the Congress of Deputies of the Spanish Parliament works is situated close to the municipal council. The Congress of Deputies is housed in a modest gray building. Its walls have witnessed much in a century and a half of the building's existence. Relatively recently, on February 23, 1981, shots fired by military putschists sounded there. They tried to take the country back to its former course. The attempt at restoring the former regime proved futile....

President of the Congress of Deputies Felix Pons and President of the Senate Juan Jose Laborda met the Russian president at the gala main entrance and invited him to the building. After the presentation of members of the presidiums of both houses and of leaders of the parliamentary groups, Boris Yeltsin was presented with medals of the Congress of Deputies and the Senate and a copy of the Spanish Constitution of 1978.

Yeltsin Notes 'Renaissance' in Ties

*LD1204144594 Moscow ITAR-TASS in English 1351
GMT 12 Apr 94*

[By ITAR-TASS special correspondents Lyudmila Aleksandrova, Nikita Yermakov, Yuriy Sizov and Vladimir Shekhovtsov]

[Text] Madrid April 12 TASS—There is a certain renaissance in the Russian-Spanish relations, Russian President Boris Yeltsin told representatives of the two Spanish parliament chambers here today. The meeting was held at the Congress of Deputies.

In the opinion of Yeltsin, intensive bilateral contacts are very important as they enable Russia to learn the unique Spanish experience of peaceful transition from dictatorship to democracy. That transition required profound changes in political, social and spiritual life of Spain, it was "a painful but wholesome process of revival of the Spanish dignity," said the president.

The current Russian processes are somewhat similar, he noted. "Practically every citizen of our state feels how tenacious is the past and vices. Russia has covered the first, most difficult part of this path," said Yeltsin.

When elaborating the new Russian constitution that was adopted in universal voting, the Spanish Constitution and its experience of the 1970s in the achievement of national reconciliation and accord were attentively studied, said the president. The Moncloa pact enabled Spain to avoid a collapse, create an atmosphere of civilized interaction between major political forces and become the basis of stabilization and consolidation of civic peace.

"Russia needs this as well. We are working to achieve interaction between state bodies, political parties and movements, public organizations, all influential forces of Russia," said Yeltsin.

The president stressed the need to develop Russian-Spanish inter-parliamentary relations. In his opinion, it

should be not only exchange of high-ranking parliamentary delegations but also contacts of deputies, members of committees and commissions and experts.

The Russian foreign policy and the Russian approach to cooperation with Spain are based on sound patriotism, said Yeltsin. "It will do good for the countries and their peoples. There is another important aspect—unification of our efforts to solve uneasy problems of modern world," said the president. These are, primarily, joint initiatives to settle conflicts that alarm Europe and the whole world.

In his turn, President of the Spanish Congress of Deputies Felix Pons Irazabal [name as received] said Spain is watching with great interest political, social and economic transformations in Russia and formation of Russian democratic structures and market economy. He expressed the assurance the reforms carried out by President Boris Yeltsin will result in stability, consolidated democracy and economic improvement.

He called for consolidation of Spanish-Russian relations and close contacts between the two parliaments. Yeltsin on Civic Accord, Ties With Spain

LD1204181694 Moscow ITAR-TASS in English 1711 GMT 12 Apr 94

[Text] Madrid April 12 TASS—Asked by ITAR-TASS about the significance of the Russian-Spanish treaty on friendship and cooperation, Felipe Gonzales said the document is interesting on three reasons.

Firstly, it continues the Russian-Spanish treaty of 1812. Secondly, it establishes legal and political conditions for the implementation of other agreements, including those on the environmental protection, economy, finances, industries and scientific cooperation, which will help to deepen the Russian-Spanish relations. Thirdly, the treaty plans meetings of Russian and Spanish foreign ministers no less than twice a year and a summit no less than once a year.

In his turn, Russian President Boris Yeltsin said Russia has had abnormal relations with Spain. Two big nations with huge possibilities had a goods turnover smaller than that with other European states. In his opinion, a reason for this situation was the absence of a fundamental document - the treaty on friendship and cooperation. "The cooperation will now swiftly develop," said Yeltsin.

Asked about prospects for signing the Russian agreement on civic accord, the president said he wants the document to be signed on April 28. This idea is basically supported by the leadership of the State Duma, the Federation Council, the government, the majority of parties and public movements.

"That is why, I think the majority will sign the document on April 28. Then it will be open for signing to all those wishing," stressed Boris Yeltsin.

Yeltsin Hold News Conference in Madrid

LD1204210994 Moscow Russian Television Network in Russian 1800 GMT 12 Apr 94

[Video report from Madrid by correspondent Sergey Dorenko on news conference given by Russian President Boris Yeltsin on 12 April, including recorded extracts of Yeltsin remarks—from the "Vesti" program]

[Text] [Dorenko] Today President Yeltsin and Felipe Gonzalez, chairman of the Spanish Government, summed up the results of the Russian president's official visit. Gonzalez thanked the visitor for interesting talks and reminded him that the new treaty on friendship and cooperation between Russia and Spain is a direct successor of the similar treaty of 1812. The Russian president said that our ties should be expanded on the basis of the treaty.

[Yeltsin] On the whole, we used to have abnormal relations. Two big states with enormous possibilities have a general trade turnover not exceeding 2 percent. This figure is smaller than in any other European country. Why is it so? It is Spain, after all.

[Dorenko] Staying in a NATO member-country, the president, naturally, could not fail to discuss the aggravation of our relations with the NATO bloc after the Bosnia bombings.

[Addressing Yeltsin at news conference] Boris Nikolayevich, at the moment you are on NATO's south flank. If NATO continues to bomb the Serbs while neglecting Russia's proposals, can Russia put pressure not only on the Serbs? Can Russia make others heed its views?

[Yeltsin] Yes, I think you have worded your question in a very correct way. I already voiced my displeasure to Mr. Clinton the day before yesterday and have told the Spanish leaders here that to sign the Partnership for Peace document while there is a kind of discrimination against Russia [changes thought], for instance, we are still unable to sign an economic agreement with the EEC. We have been eyeing this agreement for a whole year but we still cannot sign it.

Have we got any any resources for changing the situation? I think we have. We were the first to take the correct view as regards influence on the Serbs. I am sure, nevertheless—and we have just been discussing it; the chairman, Mr. Gonzalez, also agrees—that the end there must come only through political negotiation and not through force. The task there cannot be accomplished by means of force. That will be an everlasting war. When all's said and done, everyone should understand that. If things worsen now, the blame will rest with those who took the decision on those three bombing strikes. The blame will rest with them.

I consider that the statement is very tough and, it must be said, serious, including for the President of the United States and for NATO. I think that it will change the situation.

The main thing now in the situation of Yugoslavia after these three bombing strikes is to hold the Serbs back from greater confrontation and greater military action. And we are now making such efforts. Our Deputy Foreign Minister Churkin is now constantly with Milosevic. If necessary, Foreign Minister Kozyrev will fly there the day after tomorrow to restrain the Serbs from greater confrontation. If it proves possible to restrain them and to switch once again to the negotiating track, to the political level, the level of negotiation, that means there will be no more bombing.

As regards the linkage with this European, NATO document, Partnership for Peace, well, we are not so far making any direct linkage. But neither are we in any hurry to sign.

[Dorenko] The president said that for him Spain was an experiment in civic accord. And here is what Boris Yeltsin had to say about the Memorandum on Civic Accord in Russia:

[Yeltsin] We intend to sign it on 28 April, and so far we are not changing this date. Leaders of the State Duma, the Federation Council, and the government, as well as most political parties and public movements support the memorandum, although it is yet to be examined officially. Therefore I believe most of them will sign it on 28 April, and after that this document will be open for signing by anyone wishing to sign it.

[Dorenko] And now the president's sensational response to questions about the state of his health: Yeltsin invites all journalists to attend his medical examination.

[Yeltsin] I could wish everyone such health as I have at my age. A man who plays a rigorous game of tennis regularly for one and a half hours at a time, with professional tennis players for partners, a man who swims in the Black Sea in March, with the water temperature down just to four degrees—can such a man be of poor health? A man who works 16-18 hours a day, practically without weekends—you can only envy this. The communists, of course, are constantly spreading rumors. They would like to put me in a bad mood, make up stories—but all this is not serious. Recently, when I read and heard about this I said to my doctors: Let us carry out the full one-day medical examination this year, in a clinic, witnessed by all the journalists wishing to attend. Let us send my blood tests to any laboratory, let them investigate how much of what I have in my urine, in my [words indistinct due to audience laughter]. So that, through all the stages of these clinical tests not just Russia but the whole world will know what do I have inside me.

And so, I can assure you—I am not going to Barcelona for treatment. This is a planned visit. I will simply meet my doctors somewhere in their surgery—just to thank them once again for the splendid operation they performed on me when I had some trouble with my spine after a plane crash. It was a splendid operation—hardly anyone in the world could perform such an operation as

they did. Therefore I will just thank them because I am not suffering any after-effects whatsoever.

[Dorenko] Tonight the president will meet with 200 Spanish entrepreneurs. Tomorrow he will visit Barcelona and return to Moscow. All the fresh information you may find in the Russian Television Vesti news bulletin.

Text of Russian-Spanish Treaty

LD1304105394 Moscow ITAR-TASS World Service in Russian 0826 GMT 13 Apr 94

[Text] Madrid, 13 Apr (ITAR-TASS)—The Treaty on Friendship and Cooperation between the Russian Federation and the Kingdom of Spain was signed on Tuesday 12 April during the course of Russian President Boris Yeltsin's visit to Spain. The full text of the treaty follows:

Treaty on Friendship and Cooperation Between the Russian Federation and the Kingdom of Spain

The Russian Federation and the Kingdom of Spain,

prompted by deep feelings of friendship and mutual respect between the peoples of Russia and Spain, and by centuries-long traditions of Russian-Spanish relations, and aspiring to open a qualitatively new period in their development,

being firmly committed to the task of building a more just, humane, peaceful, and democratic international order on the basis of common values and in the spirit of new partnership and mutual trust, realizing their responsibility for preserving peace in Europe and in the world, being determined to contribute to the implementation of the aims and principles of the United Nations Charter,

reaffirming their commitment to abide by agreements set in the Final Act of the Conference on Security and Cooperation in Europe and by all subsequent CSCE documents,

being committed to the task of contributing with all means at their disposal to the furthering of the CSCE process and regarding this process as an essential factor of peaceful development, stability and cooperation in Europe,

taking into account the decision of member states of the European Community to set up the European Union,

taking into account Russia's membership in the Commonwealth of Independent States, and also the fact that it is the successor state to the USSR,

have agreed the following:

Article I

Being friendly states, the Russian Federation and the Kingdom of Spain will develop relations on the basis of

the UN Charter and the principles of the final act of the Conference of Security and Cooperation in Europe.

Article II

The Russian Federation and the Kingdom of Spain will make joint efforts for the purpose of overcoming definitively the consequences of a split in the European continent and forming consistently a single European space in the political, economic, legal, humanitarian, cultural, and ecological spheres.

The Parties undertake to do everything possible to strengthen the process of security and cooperation in Europe, also by way of developing constant mechanisms of security and cooperation for the purpose of promoting the consolidation of peace, stability and security on the continent, and to promote the creation of conditions for progress of all European states.

The Russian Federation and the Kingdom of Spain recognize the importance of the contribution that the European Union, the North Atlantic alliance, the West European Union, and the Council of Europe are making to strengthening European security and cooperation and will cooperate in establishing and developing relations between the Russian Federation and these organizations.

The Parties will cooperate in the search for ways of using appropriately CSCE experience in the interests of strengthening stability, security, and well-being in adjacent regions, in particular, in the Mediterranean.

On this basis the Parties will promote the strengthening of Europe's ties of friendship and solidarity with other world regions, especially with those where one of the Parties has special links based on old historical traditions.

Article III

The parties will promote the strengthening everywhere of democracy, political pluralism, the principles of a law-governed state, and the protection of human rights, both using European mechanisms and through other means, compatible with the UN Charter.

Article IV

The parties are agreed that the emergence and strengthening of qualitatively new relations on the European continent require the continuation of the disarmament process both through implementing accords already reached within the framework of the CSCE and through talks on new disarmament and arms control measures—subject to an appropriate verification system—in order to enhance security and stability in Europe.

The parties assert their firm intention to implement already adopted confidence-building measures and to assist the devising of new measures of trust.

The parties will promote the strengthening of the non-proliferation of nuclear weapons, the establishment of

nonproliferation of other types of weapons of mass destruction, and also of control over the export of combat missiles and missile technology, as well as the creation of an international system of control over the transfer of conventional weapons.

Article V

The parties intend to cooperate actively at the United Nations in order to increase its role in the world and to strengthen its collective security mechanisms, including regional ones, created under the UN Charter in order to maintain international peace and security and forestall armed conflicts.

Article VI

In the event of situations arising which, in the view of one of the Parties, could present a threat to international peace and security, the Parties will immediately contact each other to coordinate actions which could be taken to ease tension and settle such a situation.

If one of the Parties considers that its security interests have been affected, it can propose to the other Party that bilateral consultations be held immediately.

Article VII

In order to stimulate further the development of bilateral relations, Russia and Spain will ensure that political consultations are broader and more regular and will set up the relevant mechanisms for this purpose.

Summit-level meetings will be held as needed, as a rule at least once a year.

The ministers of foreign affairs will meet at least twice a year.

Meetings between other members of the governments will be held on issues of mutual interest.

In order to enhance the effectiveness of contacts, a direct line of communication will be set up between the apparatus of the President of Russia and the department of the chairman of the Spanish Government.

Article VIII

In order to enhance the dialogue and mutual understanding between the peoples of Russia and Spain, the Parties will take the necessary measures to facilitate all possible exchanges.

The Parties will pay particular attention to deepening inter-parliamentary ties.

Article IX

The Russian Federation and the Kingdom of Spain will pay particular attention to strengthening cooperation as regards the functioning of democratic institutions and a law-governed state. This cooperation will encompass the following areas in particular:

- constitutional, legislative and administrative norms;
- constitutional supervision and legality;
- human rights and citizens' rights;
- political and electoral systems.

Article X

Reliant upon the old traditions of cultural communion between their peoples and guided by the desire to facilitate a fuller exchange in the area of artistic values, the Parties will comprehensively develop cultural cooperation

The Parties will facilitate the expansion of ties in the area of science, education, information, sport and the development of youth exchanges.

They will encourage direct cooperation between government establishments, public organizations and citizens in the area of culture, science and education and will cooperate in the implementation of joint projects.

The Parties recognize as fundamental the importance of teaching the languages and literature of both countries and will take the necessary measures to have the accords in this area implemented.

The Parties will facilitate the establishment and activities, on a reciprocal basis, of cultural centers and also scientific, information and other funds and associations capable of ensuring direct access to the culture of their countries, using for this purpose the potential afforded by TV, Radio and other audiovisual resources.

Article XI

The parties will develop cooperation between their Ministries of Defense in order to ensure a better knowledge of the armed forces of both countries and to strengthen mutual trust. Two-year programs of contacts and cooperation in the military sphere will be devised with that aim.

Article XII

The parties will further a maximal development of mutually beneficial contacts in the economy, finances, industry, science and technology in order to intensify economic relations with each other.

Each Party undertakes to create, within a framework of a relevant national legislature, favorable conditions in order to facilitate investment by the other Party on its territory and to ensure its safety in accordance with current bilateral agreements aimed at promoting effective business activity by economic partners from both parties.

Article XIII

In order to create favorable conditions for the implementation of joint initiatives and projects the Parties will

promote new forms of economic cooperation, especially in the area of investment and joint ventures, even those that include the participation of third parties, as well as direct links between Russian and Spanish enterprises.

Article XIV

The Parties will cooperate in order to have a wide-ranging exchange of economic information and access to information by businessmen and scientists of both countries and in order to widen cooperation between specialist bodies and business ventures from both countries.

Article XV

In order to assist the implementation of economic reforms in the Russian Federation, and in particular, to develop a market economy, Spain will give assistance by providing Russia with technical help, developing cooperation programs, as well as training experts and managers in the economic sphere.

Article XVI

The Parties will widen their cooperation both in fundamental and applied scientific and technical research, giving priority to the increase in the number of works on topics of primary importance to both countries, in accordance with current national and bilateral programs of scientific and technical cooperation.

The Parties will facilitate their joint participation in both European and other international scientific and technical programs.

Article XVII

The parties will take measures to extend Russian-Spanish cooperation in promising less traditional areas, including the use of scientific and technological achievements in industry, as well as space research and conversion of the military industry.

Article XVIII

The parties will develop cooperation within the framework of the international economic system, and in particular within the framework of international economic and financial organizations. Spain will render assistance to Russia in participating in, or joining, those organizations of which the latter is not a member.

Article XIX

The parties will develop bilateral cooperation in the area of environmental protection and in solving their ecological problems. They will pay special attention to the protection of the environment in the Mediterranean and the Black Sea.

The parties will cooperate in drawing up and implementing international and particularly European programs in this area.

Article XX

Aiming to extend and diversify all kinds of exchanges, the parties will take measures to simplify regulations for the issue of visas.

Article XXI

The parties will develop humanitarian cooperation, including the promotion of wider contacts between relevant organizations.

Article XXII

Russia and Spain will develop effective cooperation in the area of legal assistance for civil cases, including family cases, and for criminal cases, and will guarantee the social rights of the citizens of one Party on the territory of the other Party in accordance with the bilateral agreements and their international obligations in force in this area.

Article XXIII

Russia and Spain will cooperate in the struggle against organized crime and illegal movement of drugs, through exchanging experience and operational information between their respective appropriate bodies.

The Parties also pledge to cooperate in combating terrorism, illegal acts directed against the security of maritime shipping and civil aviation, and smuggling, including illegal exportation of cultural valuables.

Article XXIV

The Parties will, as necessary, conclude separate agreements and accords to implement the provisions of this Treaty.

Article XXV

This Treaty does not affect the rights and obligations arising from bilateral or multilateral agreements, concluded by Russia or Spain with third Parties.

Article XXVI

The present Treaty will remain in force for 10 years and will automatically be extended for subsequent five-year terms, unless either party notifies the other in written form, at least one year before the expiry of the given term, of its decision to terminate its validity.

Article XXVII

The present Treaty is subject to ratification and will become valid 30 days after the exchange of ratification notes.

Made in Madrid on 12 April 1994 in two copies, each in Russian and Spanish, with both text of equal validity.

[Signed] For the Russian Federation, Boris Yeltsin

For the Spanish Monarchy, Felipe Gonzalez

Yeltsin Meets Spanish Businessmen

LD1304064894 Moscow ITAR-TASS in English 0630 GMT 13 Apr 94

[By ITAR-TASS special correspondents Lyudmila Aleksandrova, Nikita Yermakov, Yuriy Sizov, and Vladimir Shekhovtsov]

[Text] Madrid April 13 TASS—"It is not an easy thing to establish cooperation with Russia now, but it is a promising venture," said Russian President Boris Yeltsin at a meeting with members of the Spanish business community on Tuesday.

He noted that Russia was reviewing its attitude to the international trade system and mechanisms regulating its activities, "taking into account, among other things, our accession to the General Agreement on Tariffs and Trade as a full member".

According to the president, this move will meet the interests of both Russia and GATT member states. Its participation in GATT will help to strengthen the multilateral trade system and to create stable conditions for the access of foreign goods to the vast Russian market.

Yeltsin said that the Russian Government is now engaged in drafting a new foreign economic legislation. He said that "it provides for using the most favoured nation regime, granting the national regime to goods from other countries, cutting and liberalising customs tariffs as the main instrument of foreign trade regulation as well as slashing and repealing later quotas and licencing of exports".

As a result of talks with GATT, the Russian leader continued, the sides drafted a memorandum on Russia's foreign trade regime, signed a joint declaration on the main principles of relations between Russia and the European Community.

"Our firm line is to simplify capital investments in Russia," he stressed. Preferential tax and customs regime will be established for foreign investors in many cases.

Yeltsin called equality and responsible interaction with the EC as a priority area of Russia's economic cooperation with the outside world. The main thing here is to complete work as soon as possible on an agreement on partnership and cooperation between Russia and the EC, he underlined.

The agreement will also give an impetus to stepping up trade and economic relations with Spain.

The question of guarantees occupies a prominent place in establishing mutually advantageous cooperation, the president continued. The Russian company on investment insurance, recently registered abroad, is an important instrument for tackling this problem.

It was established to insure foreign investors from political risks.

Russian legislation in the sphere of investments will be also improved, the Russian leader noted. He informed the gathering that a Russian-Spanish conference on investments will be held in Madrid and Barcelona in May. The Russian round of the conference is planned to be held in Moscow in July.

"Russia should be both advantageous and predictable trading partner," Yeltsin underlined.

According to the president, the scale and areas of Russian-Spanish economic cooperation are much lower than possibilities of the two countries.

Spanish firms could participate more actively in setting up small and medium enterprises and industrial cooperative societies in Russia and could be more active in establishing joint ventures, the president said in conclusion.

Departs Madrid for Barcelona

LD1304093494 Moscow ITAR-TASS World Service in Russian 0849 GMT 13 Apr 94

[By ITAR-TASS special correspondents Lyudmila Aleksandrova, Nikita Yermakov, Yuriy Sizov and Vladimir Shekhovtsov]

[Summary] Madrid, 13 Apr—The official farewell ceremony for President Boris Yeltsin has been held in Madrid's El Pardo palace. The president was seen off by King Juan Carlos. Boris Yeltsin has now left Madrid by plane for Barcelona, where he will meet leaders of the autonomous government of Catalonia and the city authorities and tour Olympic facilities.

Abdulatipov Views CE Membership

LD1304090194 Moscow ITAR-TASS in English 0805 GMT 13 Apr 94

[By ITAR-TASS correspondent Andrey Krasnoshchekov]

[Text] Strasbourg April 13 TASS—"The first time I came to Strasbourg, I said that Russia does not need the Council of Europe [CE], and the latter does not need us. But now I have familiarised myself with the work of this organisation's commissions and committees and feel the vital need for us to join the Council of Europe," Deputy Speaker of the Russian Parliament Upper Chamber Ramazan Abdulatipov who participates in a regular session of the Council of Europe, said in an interview with ITAR-TASS here on Wednesday.

"On entering the council, we shall get a chance to borrow legislative experience of European countries and to check our legislation at the same time," he stressed.

"Europe has democracy," Abdulatipov continued, "but has no (absolute) freedom, while we have (absolute) freedom and no democracy. Our 'democracy' often makes a flabbergasting impression on the West."

On entering the Council of Europe, Abdulatipov explained, Russian society will limit itself in freedom, the freedom to offend and destroy others, to commit lawlessness and suffer from bureaucratic omnipotence. Democracy should be strictly governed by appropriate laws mandatory for all, he stressed.

"The borders of freedom for every man in the West are clearly delimited, as are borders of private property", Abdulatipov noted. But people in the West clearly see not only limits of freedom and property but also limits of responsibility.

The understanding of this principle is especially important for the Russian society, deputy speaker underlined.

According to Abdulatipov, the main difference between Europe and Russia is that human rights legislation in Western countries is built on "the atomistic theory of personality" when the need for self-affirmation of an individual is stressed.

On the other hand, Russia has developed community traditions and it is difficult and not always necessary to wrest people from them.

Russian legislation should take into account national traditions and peculiar features, lacking in the West, said Abdulatipov. Therefore, when the Council of Europe envoys come to Russia to draw the final conclusions on the possibility of admitting it to this organisation, they will have to take into account that some inconsistencies with Western legislative standards may meet Russian realities of life to a great extent.

Chernomyrdin, Kebich View Monetary Unification

LD1204202694 Moscow ITAR-TASS in English 1927 GMT 12 Apr 94

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow April 12 TASS—"The documents on unification of Russian and Belarusian monetary systems signed here today are primarily important for the two peoples, we removed many obstacles that hampered bilateral relations," Russian Prime Minister Viktor Chernomyrdin told correspondents here today upon the completion of the document signing ceremony.

He said this is the first time two Commonwealth states reached such a high decree of integration.

In his turn, Belarusian Prime Minister Vyacheslav Kebich said the document on unification of monetary systems was signed by the Russian and Belarusian premiers, as well as the chairman of the Russian Central Bank. In his words, the chairman of the Belarusian National Bank did not sign the treaty as, in his opinion, an article of the document runs counter to the national legislation.

"Belarus is to make the last step—to introduce corresponding changes in the current constitution and other

legislative acts," said Kebich. The Belarusian prime minister stressed the document will start working already now despite the fact changes have not been introduced in the legislation.

In his opinion, changes can be introduced in the Belarusian constitution through a plebiscite or a referendum. He said there are no other obstacles on the way of the document.

Kebich stressed the two premiers signed the "document on an equal basis and proved Belarus do not want to live at somebody's expense".

Asked about the functioning of the Belarusian National Bank and the Russian Central Bank, Chernomyrdin said the documents provide for regulation of all credit-monetary policy on the common Russian-Belarusian financial space by the only body of the Russian Central Bank.

Foreign Ministry: Latvian Bases Issue 'Settled'

LD1204235394 Moscow INTERFAX in English 2101 GMT 12 Apr 94

[Text] The Russian Foreign Ministry believes the incident caused by a mistake in the presidential resolution on deploying Russian military bases in CIS states and Latvia is settled. Considering this, the Russian side has not cancelled plans Latvian President Guntis Ulmanis' visit to Moscow, and the preparation for the visit is going on, a spokesman for the ministry, Grigoriy Karasin, told a briefing in Moscow Tuesday in an answer to an Interfax question.

Karasin pointed out that Latvia had been given the necessary explanations by Russian Foreign Minister Andrey Kozyrev and Presidential Press Secretary Vyacheslav Kostikov in the wake of the incident. "We can officially denounce this resolution which emerged as a result of a technical mistake. However, we do not understand Latvia's dissatisfaction with the explanations already given," Karasin was quoted as saying.

As has already been reported, the Latvian Foreign Ministry believes that neither Russo-Latvian summit, nor contacts on the level of state delegations are possible until the Russian president himself makes a formal denunciation of the resolution.

Karasin called on the Latvian leadership to "start making real politics instead of fanning up an incident which has already been settled."

French Foreign Ministry Condemns Zhirinovskiy Remarks

LD1304102294 Moscow ITAR-TASS in English 0953 GMT 13 Apr 94

[By ITAR-TASS correspondent Andrey Shtorkh]

[Text] Paris April 13 TASS—"Fulfilling French Foreign Minister Alain Juppe's personal instruction, French Ambassador to the Council of Europe Michel Lennuyeu-Commene officially notified Chairman of the Russian Liberal-Democratic Party Vladimir Zhirinovskiy on Tuesday about the impermissibility of several of his pronouncements," official representative of the French Foreign Ministry Catherine Colonna told ITAR-TASS here today.

According to Colonna, the official notification was prompted by Zhirinovskiy's pronouncements at the Charles de Gaulle Airport in Paris and also in Strasbourg. It referred primarily to statements made outside the Palace of Europe, where a session of the parliamentary assembly of the Council of Europe is now under way. Zhirinovskiy came to France to take part in this forum. "It is strange to hear such pronouncement from an official representative, who should worthily represent his country abroad. The Liberal-Democratic Party leader has already provoked several incidents since he appeared on French soil," Colonna stated.

"Zhirinovskiy was told once again that his visa to France was of a limited nature," Colonna noted. "The French ambassador had officially addressed the Liberal-Democratic Party leader, who is deputy of the State Duma and member of the Russian parliamentary delegation. Zhirinovskiy's claim that he knew nothing about any official notification of the French Foreign Ministry is untrue," Colonna noted.

The non-government Movement Against Racism and for International Friendship asked the Human Rights Commission of the European parliament to assess Zhirinovskiy's pronouncements at the session of the parliamentary assembly of the Council of Europe in Strasbourg. A communique issued here by the movement expresses its astonishment that the commission "did not try to oppose Zhirinovskiy's invitation to Strasbourg" at the time when Germany, Bulgaria and France still regard the Russian ultra-nationalist leader as a persona non-grata.

Chairman of the ultra-rightist National Front Jean-Marie Le Pen told a press conference in Paris: "We regret the stand assumed by the French Government and believe it is incorrect and dangerous to treat a foreign political leader in this way. A Russian politician, who is learning the art of democracy, should not be condemned."

Russia To Promote Mideast Dialogue Through Syria

LD1304082494 Moscow ITAR-TASS in English 0722 GMT 13 Apr 94

[By ITAR-TASS correspondent Andrey Loshchilin]

[Text] Washington April 13 TASS—"High-ranking U.S. officials are displaying much interest in the continuation of Russia's diplomatic efforts in the Middle East and are

stressing the importance of coordinating actions with us," ITAR-TASS was told by Russian envoy to the Middle East talks Viktor Posuvalyuk after his consultations with U.S. counterparts.

"Much attention during the consultations was devoted to the presentation and comparison of the Russian and American national interests in the region. In spite of some understandable and inevitable differences, we are nevertheless guided by the belief that we have a common task to do—to bring the peace process to a happy end, which will contribute decisively to stability in the Middle East," Posuvalyuk noted.

"The consultations focused both on the Israeli-Palestinian talks on self-government in the Gaza Strip and in the Jericho area, now under way in Cairo, and on some other directions, particularly the Syrian-Israeli relations," he added. "The sides have agreed that we should not copy each other's course, but should make use of our own means in the pursuit of our common goal. We have traditional contacts with Damascus and a definite reserve of confidence, which we are striving to exploit in order to strengthen bilateral relations and promote the Syrian-Israeli dialogue."

"Both co-chairmen of the Middle East process are interested in the early success of the Cairo talks. We expect them to be rounded off by the signing of an agreement already at the end of this month. It would have been premature to speak now about an early breakthrough in the Israeli-Syrian direction, which is the key and very difficult area. But this does not mean that we intend to sit on our hands. The visits of PLO chairman Yasir 'Arafat and Israeli Prime Minister Yitzhak Rabin to Moscow, which are to begin on April 19 and 24, are among the most important events of the foreseeable future. In addition to bilateral relations, accent will be laid on the discussion of the situation at the Middle East talks, on Russia's role as co-chairman of the peace process," Posuvalyuk stated.

Iranian Ambassador, Duma Official Discuss Regional Issues

LD1204201194 Tehran IRNA in English 1945 GMT 12 Apr 94

[Text] Moscow, April 12, IRNA—The First Deputy of the Russian Duma (lower house of the state), Mikhail Mityukov, in his meeting with Iranian Ambassador Ne'matollah Izadi here Tuesday, emphasized the peaceful role of Iran and said the Tehran-Moscow interests in Caucasia and Central Asia, require the cooperation of the two countries on ways of peace in the region and the world.

The Iranian ambassador reviewed the necessity of cooperation between the parliaments of the two countries including the setting up of parliamentary friendship groups.

The Russian official appreciated the role of Iran for peace and stability in the region.

He said the parliament of Iran with its special characteristics, is taking an independent course.

Izadi stressed expansion of relations with the Russian Federation and the importance of cooperation among Caspian Sea littoral states.

Burbulis: Kuril Islands Should Be Returned to Japan

LD1304110494 Moscow INTERFAX in English 1007 GMT 13 Apr 94

[Text] Gennadiy Burbulis, president of the Humanitarian and Political Center "Strategy," said at a meeting with the public in the Central House of Cinematographers that the capture of the Kuril Islands was an aggression by Stalin.

In his view, Russians should come to terms with the need to give these islands back to Japan, sooner or later.

In his view, none of the democratic politicians are an attractive or constructively uniting figure for the 1996 presidential elections. For this reason Boris Yeltsin could run for reelection under the proviso, however, that he "shows in no uncertain terms where his social support lies, seeks support from specific organizational/political structures and sheds the role, adopted over recent years, of charismatic leader of the nation who is supposed to be fully aware of what is going on in the nation and can rely on its support at any time."

Burbulis said that Boris Yeltsin had a realistic chance to become a strong president, a head of state. For his part, Burbulis would work for creating a base of support for the president.

In Burbulis's words, "today Yeltsin remains a major source of stability in the country and we, while reproaching him justly, must give him sufficient backing for our own good."

Burbulis said that while the formation of a political party by Yegor Gaydar was a historically legitimate idea he also believed that this idea led nowhere.

He explained that the new party would rely too much on the confrontation and denunciation that had worked in the past.

Birobidzhan Sets Up Border Zone With China

LD1304084594 Moscow ITAR-TASS in English 0808 GMT 13 Apr 94

[By ITAR-TASS correspondent Viktor Gorelov]

[Text] Birobidzhan April 13 TASS—A five-kilometre border zone has been imposed along the Russian-Chinese frontier in Russia's far eastern Jewish Autonomous Region.

Access to the zone is available to local residents and people with a special permit. Foreign citizens also need to register in local departments of the Interior Ministry.

The new order of entry to the zone was set up by the regional administration in accordance with the law on the state frontier of the Russian Federation.

The border zone has turned recently into a place with high criminal activities. A lot of people rushed to the area to collect wild hemp used for drug production, to steal agricultural products, vehicles and so on. Frontier guards have stopped quite a few attempt to smuggle goods by Chinese citizens across the Amur River.

Political Issues

Rutskoy on Possible 'Agreement' With Zhirinovskiy

BR1304132594 Rome LA REPUBBLICA in Italian 13 Apr 94 p 11

[Interview with former Russian Federation Vice President Aleksandr Vladimirovich Rutskoy by Enrico Franceschini in Moscow; date not given: "I Will Bring About Russia's Rebirth"]

[Excerpt] Moscow—[introductory passage omitted] Former Russian Federation Vice President Rutskoy is alive, free, and determined to achieve power. He is set to challenge Yeltsin, Zhirinovskiy, and all other candidates in the forthcoming presidential elections. His slogan is: "Make Russia Great Again," which is the purported aim of the book he is currently writing, "The Collapse of a Power." In fact, this was the starting point of the interview with LA REPUBBLICA and CORRIERE DELLA SERA: The book will explain, he said, "how we ended up in this shameful situation, and how Russia's power can be restored."

[Franceschini] Aleksandr Vladimirovich, that "power" began to collapse when you were still vice president. Could you do nothing to prevent the collapse then?

[Rutskoy] Unfortunately not. There was a plan to push me aside, to discredit me and gradually deprive me of all power.

[Franceschini] But why did you decide to break with Yeltsin and swim against the tide?

[Rutskoy] Because they wanted a subservient vice president, one who would have no opinions, make no proposals, not ask the president any tricky questions, not criticize any of the do-nothings and irresponsible elements in his team. The first crack in our relationship appeared over Gaydar's economic reforms. I was against them. The second crack developed over my disagreement with the devious way in which it was decided to found the Commonwealth of Independent States and thus destroy the Soviet Union. Then came the rest: corruption, bribery at every level of power, the cynical plundering of natural resources, begging the West for aid in a most humiliating fashion, and a subordinate foreign policy, as if Russia were a doormat for the West to wipe the mud off its shoes.

[Franceschini] Zhirinovskiy also says all those things.

[Rutskoy] True, and I feel close to anyone who loves the fatherland, who says that Russia deserves to fulfil the role of a superpower. This country covers one sixth of the planet's land: Fill it with a mixture of civil war, deprivation, epidemics, nuclear power stations, and chemical plants, and the result of all this will inevitably undermine stability in Europe and Asia. Beggars do not wield a sword but at most a stick. However, if Russia wields a

stick instead of a sword, it will be crushed. De Gaulle used to say: The sword is the axis of peace. But when the sword is held by only one country, then the latter becomes the world's watchdog. That is why at least two superpowers are needed. As far as Zhirinovskiy is concerned, although our positions may differ in some respects, I believe we can reach an agreement, as long as it is understood that I reject radicalism and demagoguery.

[Franceschini] What concerns you most at present?

[Rutskoy] Our nation's debasement. Cynicism, immorality, lying, theft, have become everyday events. Patriotism, on the other hand, is considered a form of extremism, akin to fascism or nazism. I am also alarmed by something else, namely the resigned attitude of many people. Economic reforms that have plunged us into poverty, an armed attack on parliament, a Constitution worthy of a monarch—what else must the so-called "democrats" do for people to understand that we can no longer live like this, that this is the beginning of the end? Where else do people work without being paid for months on end, where else do pensions condemn people to starvation, children have nothing to eat, mortality outweigh births, and the dead get buried in plastic bags? In Russia, which was once a great and powerful nation. I would like to ask the miners, the workers, the peasants who today voice their protest: Where were you in September-October 1993? How could you betray those who wanted to defend you? Can you not see that the person responsible for all this is your president?

[Franceschini] What did you expect the people to do then?

[Rutskoy] I expected them to support us. Not by rising up in arms, but through a civil protest, a general strike. Unfortunately, nothing of the sort happened. First everyone was calling for the president's resignation. Then, when Yeltsin dissolved parliament, they all fell back again on a hand-to-mouth policy based on compromise. The result: The executioners and ravagers of the country have been confirmed in power.

[Franceschini] If you could go back, would you act differently?

[Rutskoy] May I reverse the question: Would the people today, knowing how things ended, still support the president?

[Franceschini] You claim that 500 people died at the White House rather than the 149 mentioned in the official report...

[Rutskoy] The world watched a live TV broadcast of the massacre, but an attempt is being made to hide the truth. Everybody is silent, including the new parliament, but that is only natural. Why say anything when they too are eating out of the same plate? Only the press raises its voice, but only to slander those who upheld the Constitution, and it blames us for everything.

[Franceschini] If you had resigned from your post as vice president, perhaps today you would be a deputy in the Duma.

[Rutskoy] All I ever got from being vice president were insults and injuries, but stepping down would have been like betraying my ideals, as well as all the people who voted for me. Most of the new deputies elected to the Duma have applied this theory: Betraying at the right moment means knowing how things will end. This applies to all parties, including Gaydar's, Yavlinsky's, Shakhrai's, and Zhirinovskiy's. I would not like to be in the company of men who are prepared to serve any regime as long as it feeds them.

[Franceschini] Is there a Rutskoy party?

[Rutskoy] The Free Russia People's Party, whose chairman I am. We will be holding a congress in May in order to adopt our new platform, win the next elections, and embark on reforms in the interest of the people.

[Franceschini] Will you therefore be standing in the presidential elections in 1996, or perhaps sooner if early elections are called?

[Rutskoy] Yes, if the party nominates me.

[Franceschini] Boris Yeltsin was one of your political "mentors," later he became a boss with whom you had some differences, still later an enemy, and finally the man who gave the order to shoot. What is your opinion of the president today?

[Rutskoy] I sincerely trusted this man. Unfortunately, I was much mistaken. I have learned one thing from him: how not to govern a country.

[Franceschini] Yeltsin now proposes a "social peace" agreement to all forces in the country...

[Rutskoy] Are there any assurances that the people signing it will not then be silenced? Does it make sense to invoke social peace and at the same time spy on one's opponents, tap their telephones? If I lean out of the window, I can see someone watching my home this very minute. All we have to do is go for a stroll downtown and someone would be on my tail immediately. I will vote with both hands for social peace, but such an agreement is not feasible with the present leaders.

[Franceschini] While you were in prison, a new Constitution was passed. Do you accept its legitimacy?

[Rutskoy] How can you accept a Constitution which was voted after the shooting on Parliament, and was passed by a only minority of voters? No, I do not accept it. But I am obliged to comply with it just like any other law-abiding citizen. This Constitution has the same value as power founded on bayonets. Furthermore, even its author (Yeltsin) is probably not happy with it, since it prevents him from doing everything he wants.

[Franceschini] What do you think of the fight against crime and corruption?

[Rutskoy] Have you ever seen a thief punishing theft? Can someone who is corrupt combat corruption?

[Franceschini] It is feared in the West that if you become president, nationalism will resurface...

[Rutskoy] Why worry about the West? What Russia thinks is more important. But you can rest assured. With me as president, it is the Russian nation, not nationalism, that would be reborn. I am against the idea that one country should overpower others to prove its superiority. But I believe Russia will once again become a great nation. I will fight side by side with my people to bring about the day when Russia will again be a superpower.

Yeltsin Aide: Media's Civic Accord Role 'Useful'
LD1204155294 Moscow INTERFAX in English 1042
GMT 12 Apr 94

[Text] Russian presidential aide Georgiy Satarov believes that the initiative advanced by the Interfax news agency on the involvement of the mass media in the drafting of an agreement to reach civic accord in Russia "is very useful and timely." In an interview with Interfax on Monday he said that the contribution of the media for the creation of an atmosphere of civic accord in Russia may be very great, since the media is commonly believed to be the "fourth power."

Satarov said that "so far the contribution was not always positive because the reports were often sensational, alarming and not always balanced." He said that the shortcomings were understandable. They emerged because over the past few years the media was always in opposition and this stand was once useful and even historically progressive.

The opposition "niche," occupied by the press, determined until recently its bias towards giving assessments and sticking to ideology, believes Satarov. Now that the present democratic regime has a real opposition, the previous role of the press is now outdated, he added.

Satarov voiced hope that the Interfax initiative on the media's involvement in the negotiations on an agreement to reach a civil accord in Russia will urge the press to occupy its natural position as an objective reporter, with the relevant political and controlling functions. "I believe such a position by the media will help Russia achieve a political and social stabilization," Satarov said.

Filatov on Constitutional Court, 'Blacklist'
LD1204185694

[Editorial report] Moscow Ostankino Television First Channel Network in Russian at 1541 GMT on 12 April carries a 10-minute interview—live or recorded—with

S.A. Filatov, head of the Administration of the President of the Russian Federation, conducted by an unidentified interviewer. Filatov answers three questions: on the proposed political accord, the alleged blacklist of former Supreme Soviet deputies, and the composition of the Constitutional Court.

Filatov says that the people voted for a market economy and everyone agrees that there can be no going back; an agreement on political accord would ensure continuity of policies, to the benefit of all.

Filatov says that the so-called blacklist contains the names of those Supreme Soviet deputies who remained in the White House and fomented disorder; they will not receive financial compensation for their loss of income; housing rights will be decided on an individual basis.

Moving on to the question of the Constitutional Court, Filatov says: "I personally consider that the members of the Constitutional Court, as it was composed at the time, were considerably to blame for the harm which was caused to our state, ending with the dramatic events of last October. You may recall that the Constitutional Court was elected at the Congress of People's Deputies and it seems to me that, right from the start, the principle governing the nomination of the members of the Constitutional Court was incorrectly drawn up, because the nominations were to a considerable extent made by the political groupings, and the regions had very little representation on these questions.

"Unfortunately, we got a Constitutional Court which to a considerable extent represented various political forces. Hence the latest instruction issued by Boris Nikolayevich, and the instruction that the Council for Personnel Policy should draw up recommendations on the list of those candidates for the Constitutional Court which it should put forward to the Federation Council for appointment. We have now examined this question at the Council for Personnel Policy. We have agreed that the main criterion which we will look at in each candidate is his political neutrality. So, the candidate should not be a politician, should not be the leader of a party, political grouping etc. He should be in the first place a professional at his job.

"If the condition is observed that political neutrality and professionalism should be placed first, then there is no reason why the law on the Constitutional Court should not be adopted. I think that it is clear to everyone that such a law is now very much needed. It is particularly necessary now for the Third Estate, the third structure of power, to go into operation when work has begun on adopting the laws of the Russian Federation," Filatov concludes.

Draft Civil Code's Provisions

PM1304105594 Moscow ROSSIYSKAYA GAZETA in Russian 12 Apr 94 First Edition p 3

[ITAR-TASS observer Lyudmila Yermakova report, especially for ROSSIYSKAYA GAZETA: "Respecting Private Rights. What Will the Civil Code Be Like?"]

[Text] Of the draft laws which the Russian Federation president intends to submit to the State Duma as part of his legislative initiative, he is putting the Civil Code to the fore. Justice Minister Yuriy Kalmykov has reported that the first section of the document, which lawyers are describing as the market economy code, has already been prepared for consideration.

Civil law specialists consider this new collection of laws second in importance to the Constitution, since "it is designed to lay the legal foundations for civilized market relations in a country undergoing reform in all spheres of its life." It should replace the virtually obsolete 1964 RSFSR [Russian Soviet Federated Socialist Republic] Civil Code.

The draft is being created by a working group of lawyers set up at the government's behest from the Private Law Center, the Justice Ministry, several institutes, and the Supreme Court of Arbitration. The Court, incidentally, is very interested in the adoption of the code, which will "make it possible to streamline the legal regulation of economic relations that have developed with the transition to the market," Vasilij Vitryanskiy, a member of the group and deputy chairman of the Court, explained.

He stressed that the compilers of the plan are "proceeding on the basis of the constitutional provisions on civil legislation as an area under the jurisdiction of the Russian Federation on the unity of the economic area throughout its entire territory, and on the free movement of goods, services, and finances." He called the "recognition and equal protection of private, state, and municipal property, and freedom of economic activity" the most important provision of the document.

Particular attention is being devoted to the legal regulation of the creation and activity of economic companies and partnerships, which are becoming the main participants in entrepreneurial activity. A special chapter is devoted to the state's role in civil legal relations. It is envisaged that it will take part in such relations on an equal basis with other parties and is responsible for its commitments.

Many of the document's concepts go back to the classic provisions of private law. The draft consistently implements its norms, which are based on "the quality of the sides building the relations, and on their right to independently resolve matters without interference from others, including state organs." By granting citizens an opportunity to exercise their rights as they see fit, the draft obliges them to "act conscientiously, reasonably,

and fairly, observing the demands of the law, moral principles, and the rules of business ethics," Vasilii Vitryanskiy pointed out.

There are three sections in the draft of Section One of the code, including a section on the right of ownership. This fundamental document contains 450 articles. It has been discussed by the Russian Federation Government Presidium. A working group with the participation of representatives of the State Committee for the Management of State Property, the Ministry of the Economy, and the banks has also examined proposals from Russian Federation components and several dozen interested institutions. The draft has had expert scrutiny from world-famous civil law scholars in the Netherlands, the FRG, the United States, Italy, and France. Its adoption will "ensure the stability of civil legislation, without which the economy cannot develop normally."

'Experts' List Most Influential Parliamentarians

LD1304002394 Moscow INTERFAX in English 2101 GMT 12 Apr 94

[Text] The speaker of the State Duma Ivan Rybkin, leader of the faction Russia's Choice, Egor Gaydar and head of the Communist party faction Gennadiy Zyuganov in March exerted the greatest influence on decision-making in parliament. Such are the results of an opinion poll conducted by the Independent Center of Russian Political Culture Studies.

Experts of the center, among them parliamentary journalists and political experts, determined the rating of Duma deputies' political influence in March on a 10-point scale. The top twenty after Rybkin (8.2), Gaydar (6.3) and Zyuganov (6.3) include Vladimir Zhirinovskiy (5.4), Sergey Shakhrai (5.3), Sergey Glazyev (4.9), Mikhail Lapshin (4.8), Konstantin Zatulin (4.6), Vladimir Lukin (4.5), Anatoliy Lukyanov (4.4), Viktor Ilyukhin (4.3), Vladimir Isakov (4.2), Aleksandr Vengerovskiy (4.1), Sergey Baburin (4.0), Vassiliy Lipitskiy (3.8), Mikhail Zadornov (3.7), Giryoriy Yavlinskiy (3.6), Aleksandr Pochinok (3.6), Aleksandr Nazarchuk (3.5) and Gennadiy Burbulis (3.5).

The commentary on results of the poll will be published in the Megapolis-Continent newspaper on Thursday.

Government Moves To Settle Miners' Conflict

LD1204164494 Moscow ITAR-TASS in English 1306 GMT 12 Apr 94

[By ITAR-TASS correspondent Viktor Petrenko]

[Text] Moscow April 12 TASS—The Russian Government has made the first practical step towards the settlement of its drawn-out conflict with the country's miners: On its instructions, the Central Bank of Russia today remitted 300 billion roubles to local branches to

pay the delayed wages in the mining regions. This is the first of the weekly batches to be forwarded to the mining regions during this month.

A wave of miners' strikes first swept the country in the middle of last year - the colliers protested against delayed wage packets and lack of state support for the industry which was fighting for survival. The situation repeated itself in March of 1994, this time around it culminated in the picketing of the houses of government at the end of the month. The miners demanded an immediate repayment of the budget debt for the last quarter of 1993 and the first quarter of 1994, which by that time had amounted to 800 billion roubles. They also demanded that the customers pay off their accumulated debt of more than one trillion roubles.

As a result of negotiations between the colliers' labour union and the government it was decided that Moscow would pay the industry 300 billion roubles a week beginning on April 13.

"It will take a few days before the money reaches the miners," said Vitaliy Budko, chairman of the Rosugleprof Labour Union. This will add tension to the already grave situation in some mining areas. For example, forty miners refuse to come up from the Mayskaya mine in Chelyabinsk region, demanding that they be paid wages for work done in January, February and March.

Confirmation on Raising Retirement Pensions

LD1204215194 Moscow Mayak Radio Network in Russian 1530 GMT 12 Apr 94

[Text] The Russian Federation Social Security Ministry has confirmed that from May Day, implementation will be continued of President Boris Yeltsin's decree on raising the previously fixed retirement pensions, which started on 1 April. This statement was distributed today in connection with the appearance in some mass media of a so-called denial by Russia's Pension Fund regarding the indexation of pensions on May Day. In short, pensions will go up—that is the most important thing.

Yavlinskiy Explains New Reform Concept

AU1304103694 Frankfurt/Main FRANKFURTER RUNDSCHAU in German 12 Apr 94 p 5

[Interview with Giryoriy Yavlinskiy, economic expert, Duma deputy, and chairman of the "Yabloko" reform party, by Gemma Poertzgen in Germany; date not given: "Russia's Change Must Begin at the Roots"]

[Text] [Poertzgen] You are a deputy of the new Duma, the Russian Parliament. What can you achieve there in political terms?

[Yavlinskiy] We have no election law, no civil code, no economic law, and no penal code. We have to create all this. This has the utmost priority. And as long as this is the case, work is very difficult. Sometimes this looks a bit wild and exotic to the West.

[Poerzgen] In what respect is the new parliament different from the old Supreme Soviet?

[Yavlinskiy] It has greater legitimacy. However, it is nevertheless a transition parliament, rather a constitutional assembly. Its role primarily is to amend the Constitution. In short, our Duma must solve a number of basic tasks.

[Poerzgen] You are in Germany for a week to present your book "Reform From Below—Russia's New Future," which has now also been published in German. In this book you write that an era of reform has come to an end in Russia. The reform from above must not be followed by reconstruction from below. What does this mean specifically?

[Yavlinskiy] Reform begins only when the people's lives are changing. The economic system, which we created 80 years ago, is rooted very deeply. Thus, if we really want to change this system, we must begin at the roots. If we bring about changes there, we can also solve the bigger tasks. Russia is an enormous country, where very different people live, and they have very different ideas of success and of how one should live. If we really want to achieve something, these people must be permitted to act as they consider right. Moscow cannot answer all these questions.

[Poerzgen] This means that the Russian Federation needs stronger decentralization and regionalization?

[Yavlinskiy] Moscow must look to the regions and listen what the people there want and help them to do what they want. If one region wants to implement reform in this own way, it must be supported in this. And if other regions take different paths, Moscow must help there, too. This is very important regarding the entire legislation, for instance. It is impossible that someone in the capital city thinks up the laws. They should be shaped in such a way that they take the interests of those people who have to live with these laws into consideration. The central power is needed to implement the laws as soon as they have grown from below. It must take care that they are indeed observed. This would then be a rule-of-law state with a reform from below and control from above.

[Poerzgen] Another point that clearly distinguishes from other reformers is the importance that you attribute to social security.

[Yavlinskiy] As long as the people do not have the possibility to earn their living themselves, this is unavoidable. We can take a more liberal economic course only to the extent to which we manage to give the people the opportunity to earn their living. Just imagine for a moment what would have happened if eastern Germany had not had western Germany. The government would have been deposed and it would have been said: Do what you want: laissez faire. And what would have happened? No system can work in this way. Liberalism must include the people are able to earn their

living. If a country has been structured like one big single enterprise for 80 years, one cannot turn it into a market economy overnight.

[Poerzgen] Now you are trying to implement your approach of a different reform policy in the region of Nishniy Novgorod?

[Yavlinskiy] In Nishniy Novgorod we have set ourselves a very specific task. We have changed the system of social safeguards and, at the same time, we have begun with privatization. Thus, in Russia there are, for instance, a large number of apartments that are administered by the enterprises. The enterprises must use 90 percent of their profits to maintain the apartments, for kindergartens, and for other social tasks. Such an enterprise cannot develop, no one is going to invest in it. If such a company is closed down, the entire town is closed down.

In Nishniy Novgorod we take the money that has so far been used to maintain the apartments and channel it into the people's income. At the same time, we give them housing. Interestingly enough, the costs immediately go down to one-third. And therefore one must not frighten the people. One must not tell them that the apartments are privatized, but it is better that one calls them housing cooperatives. That is something that the people understand. As soon as the cooperative has been established, the people find it possible to rent certain rooms and can afford craftsmen for repairs. And this continues to develop. If many of these cooperatives develop, they can become shareholders, for instance in the gas sector or waste disposal. In this way it is possible, bit by bit, to take social services out of the enterprises. This is what I call the conversion of social infrastructure.

[Poerzgen] Do you find support for your ideas in the government?

[Yavlinskiy] Somehow, no one is really against it. But no one does anything for it, either. Everyone talks more about how high the dollar exchange rate is than about the budget deficit. Of course, this is very important, but we will never achieve a normal dollar exchange rate and an acceptable budget deficit as long as we do not put the institutional framework of our national economy in order.

[Poerzgen] What kind of support do you expect from the West?

[Yavlinskiy] The most important thing is intellectual and moral support. For us it is primarily important that the West understands the problems that we have to solve.

[Poerzgen] Do you find this understanding?

[Yavlinskiy] Unfortunately no. First, it is probably not easy. Second, politics in the West has long become a show in many respects. Fortunately, most people in the West live and work far removed from politics. However, the principles of this show are also applied in the

relationship with our country. Therefore, times of ardent love for Russia are again and again replaced by times of hysterical cooling down. Perhaps this is good for Western policy. We, on the other hand, need a calm and sober look at what we are doing. We do not want to be praised to high heaven, nor do we want to be damned. We need calm and sober cooperation that remains independent of personal political ambitions. We would want the West not so much to be oriented toward individual persons, but to look more at the processes. Then our cooperation would be more solid.

Regarding financial aid, I am, first, of the opinion that we must repay our debts. Second, it is not the scope of aid that is most important but specific projects. For instance, I would prefer seeing \$100 million spent on providing farmers with technical equipment, for instance mini-transporters. This is better than getting billions of dollars so that the government uses them for stabilizing the ruble. I think that it is more important for the stabilization of the ruble that the farmer is able to take his potatoes to the shops.

[Poerzgen] How do you assess the work of Western advisers in this connection?

[Yavlinskiy] First of all, I am grateful to all who help Russia. However, I would like to recall that, in pre-revolutionary Russia, engineers who built bridges stood under them when the first train went across. After all, the lives of many people are involved. One must be aware of this responsibility.

Political Struggle Intensifies for 'Final' Reforms

PM1204135394 Moscow IZVESTIYA in Russian 12 Apr 94 p 4

[Sergey Chugayev article: "Is There Any Chance of Accord When the Political Struggle Is Intensifying?"]

[Text] The publication of the draft memorandum of civil accord proposed by the president, and the start of its discussion should undoubtedly be recognized as the most significant event in Russia's domestic political life last week. This document seems all the more important because it has emerged at a time when it is becoming increasingly clear that the political struggle in Russia is intensifying. The series of events that occurred last week is graphic confirmation of this.

The draft memorandum has dispelled the previously current doubts about the president's political views. In it B. Yeltsin convincingly proved that he is a firm advocate of the democratic model of the state's development and has not abandoned the idea of economic reforms.

This was also confirmed by the president's meeting with the leaders of the Duma faction of "Russia's Choice," in the course of which an obvious rapprochement took place, as distinct from the eve of the 12 December elections, when Yeltsin demonstratively distanced himself from the democratic movements. The decision by

"Russia's Choice" to allow a number of its deputies to leave the faction so as to enable the "12 December" group to become a faction—a decision which followed that meeting—shows that at the meeting in the Kremlin an agreement was reached on strategic cooperation, in the course of which the president is reckoning on securing support for himself in the Duma in the form of three right-wing factions: "12 December," "Russia's Choice," and "Yabloko."

At the same time Prime Minister V. Chernomyrdin, who on the eve of the December elections, as we recall, followed the president's example and distanced himself from the Party of Russian Unity and Accord, which was sympathetic to him, has promoted S. Shakhrai, the party's leader, to the rank of vice premier. This gives grounds to conclude that the premier is also seeking support in the Duma.

Ultimately it has to be noted that the president and the premier have recently been becoming increasingly independent. Each of them now possesses not only his own independent apparatus but also his "own" parliamentary factions. This is perfectly natural if you consider that Russia is entering a new stage of the reforms—a period of mass bankruptcies and growing unemployment. In this situation both the president and the government need the support of political forces in the Duma which would be capable, in particular, of exerting influence when considering the question of the government's resignation.

The chief problem here is how far this independence will go and whether it will lead to the rupture of the alliance between the president and the premier. As the experience of recent months shows, the preservation of the alliance between Yeltsin and Chernomyrdin would be the very best option for the country, since it guarantees the monolith of the executive and, ultimately, stability.

The natural preconditions for disagreements, however, must also be taken into account. Above all, there is the objective possibility that, in the event of a deterioration in the socioeconomic situation, the president might sacrifice the government. Finally, we should not forget such a serious factor as the rivalry and the acute contradictions that exist between the apparatuses of the president and the government.

In this connection informed sources draw attention to the fact that Shakhrai's appointment coincided with a weakening of the positions of one of his chief opponents in the president's entourage—V. Ilyushin—and in the absence of S. Filatov, another opponent. As far as is known, Shakhrai's appointment is viewed in apparatus circles as a victory for the government's apparatus over the president's.

Meanwhile the apparatus of the top organs of state power demonstrated its potential as graphically as can be during the scandal that erupted last week over the president's directive on military bases. The fact that, as S. Krasavchenko, deputy leader of the president's

administration, reported, a serious investigation has been launched into this incident concerning the president's directive makes it possible to assume that Yeltsin attached greater significance to the incident than to a simple technical error, and maybe he is already fed up with being constantly deceived by his entourage.

As we know, this was by no means the first instance when unexpected documents, to put it mildly, have appeared bearing the president's signature. Take, for example, the case of the publication of the presidential edict on the transfer of the "Lefortovo" Detention Center from the jurisdiction of the Ministry of Internal Affairs to the system of the General Prosecutor's Office, as stated by former General Prosecutor A. Kazannik in an interview in TRUD 29 March. This was the edict which resulted in the rapid release of the Lefortovo inmates. It has become known that an investigation was conducted into that fact, during which it was ascertained that the text of the edict was slipped onto the president's desk by one of his closest aides, who was involved in a purely interdepartmental intrigue and did not contemplate that his actions would have such far-reaching political consequences and would strike a painful blow at the president himself.

In the case of the Skrunda radar station, if we rely on available information, it really is a question at present of a technical error. It is hard, however, to rid yourself of the impression that the error occurred at the most suitable time for the president's opponents—on the eve of the signing of the Russian-Latvian agreement, with the result that serious damage was done both to the president's prestige and to Russia's.

Opponents today accuse the president of imposing an agreement on them from a position of strength and demanding concessions while not wishing to concede anything himself. It can be assumed that, if the tendency not to want to make compromises continues, then the memorandum of accord will go the same way as the similar decree of the Seventh Congress of People's Deputies.

Russia is entering the final and most complex, most dangerous period of the reforms—the period of mass bankruptcies and unemployment. If it can get through it without losses and without breaking up the alliance between the president and the premier, if it is possible to preserve political stability in the country and not slide into taking over the opposition's slogans—not to form a new external enemy, not to begin an imperial flexing of muscles—then Russia might secure what is probably its only real chance to start climbing out of economic depression. In this case the possibility of an opposition victory will be insignificant.

Illegal Election Campaign Donations Uncovered

PM1204122594 Moscow ROSSIYSKAYA GAZETA in Russian 12 Apr 94 First Edition p 2

[Report by ITAR-TASS observer Lyudmila Yermakova: "Money Likes Accounting"]

[Text] The Russian Federation Central Electoral Commission has created a special control and auditing service which has engaged in checking accounts and expenses during the election campaign. A report on the expenditure of funds has been sent by the Central Electoral Commission to the State Duma, which will decide what to do about violations and violators. The Central Electoral Commission has no "punitive powers" in that sense and does not have the right to draw legal conclusions.

According to the financial reports, 4.68 billion rubles [R] including R1.3 billion from the Central Electoral Commission went into the electoral associations' election funds. Of that sum R4.62 billion were spent. The remainder was returned to the current account of the Central Electoral Commission, which has channeled it into local elections.

For instance, according to the all-Russia state television and radio broadcasting company, the "Noris" enterprise paid over R5 million for air time supplied to the Liberal Democratic Party while the "Premyer" firm paid over R33 billion for "Russia's Choice." Similar facts were discovered with regard to the payment for air time supplied by the "Ostankino" company. Thus the "Mars" enterprise paid over R62 million for political advertising for the Democratic Party of Russia and the "Folium" firm paid about R18 million. Payment of nearly R75 million was made for the Liberal Democratic Party of Russia by the "Sokol" leisure center. The Sverdlovsk branch of "Kedr" financed the election campaign, only to the tune of R11,000, it is true, without crediting the money to the association's electoral fund.

It was discovered that in contravention of the statute on elections, donations to electoral associations by corporate bodies with the participation of foreigners were allowed. An additional check of these cases is now under way.

Pilots Association Warning on Russian Air Safety

PM1204130994 Moscow IZVESTIYA in Russian 12 Apr 94 p 2

[Yuriy Kovalenko report: "Aeroflot Passengers Forced To Play 'Russian Roulette'"]

[Text] Paris—Dutch pilot Bart Bakker, president of the International Federation of Airline Pilots Associations, arrived in Russia 11 April to meet with Alfred Malinovskiy, head of Russia's pilots organization, and other officials to warn them of the need for urgent measures.

In turn the International Airline Passengers Association [IAPA], whose headquarters is in Washington, warned of the risk to life to which citizens from Western countries are exposing themselves by flying on our aircraft over Russia. It also called the territory of the former Soviet Union one of the two most dangerous areas in the world for air passengers.

I would also point out that many French firms are confidentially banning their staff from flying Aeroflot on business from Paris to Moscow, never mind using our domestic routes. The Swiss newspaper LE NOUVEAU QUOTIDIEN recently published a report eloquently headlined: "Aeroflot Passenger Plays 'Russian Roulette.'"

Russian aircraft are in a disastrous state, the author writes. Airports are like hostile jungles. No one is responsible for them any more—or for passengers. The journalist sees the "crazy privatization" of the air sector as the main reason for the prevailing unimaginable chaos.

At the same time as Bart Bakker's visit to Moscow, IAPA published a new report painting a gloomy picture of the situation in CIS countries' civil aviation. "We are extremely concerned by the state of affairs in Russia," IAPA Director David Stempler said in an interview with THE EUROPEAN. "Our report cites specific examples and gives advice to travelers. Russian airline safety is rapidly deteriorating. It will not come as a surprise to anyone if Russia shortly descends to China's level in this respect."

Impact of Migration Processes Examined

PM1204130394 Moscow ROSSIYSKAYA GAZETA in Russian 12 Apr 94 First Edition p 2

[Article by ITAR-TASS correspondent Liliya Kuznetsova, "Especially for ROSSIYSKAYA GAZETA": "Rising Level of Migration"]

[Text] Since 1990 around 100,000 people a year have emigrated from Russia: The rise in the numbers emigrating is linked primarily with the liberalization of Russia's emigration legislation in recent years. The bulk of the emigrants are bound for Israel, Germany, and the United States. However, whereas in 1990 the bulk of migrants went to Israel, at present Germany is the leading recipient of emigrants from Russia.

There has been a large-scale exodus of Germans, Jews, Meskhetian Turks, and Greeks in evidence for a number of years now, but the increase in the proportion of Russians among the emigrants is quite a new phenomenon.

The migration of families is the dominant form of emigration and the demographic composition is close to that of the population of Russia: The proportions of pensioners and dependents in the population and among emigrants are approximately equal.

The proportion of white-collar workers stands out significantly in the social composition of people leaving Russia—they constitute more than one-third of the total number of emigrants. This alarming figure reflects the process of the "brain drain" from fundamental science and the defense complex in Russia.

However, it must be noted that the level of migration from Russia is lower than from the neighboring foreign countries. For example, although the population of the Russian Federation constitutes a little over one-half of the population of the former USSR, the proportion of emigrants from Russia represents little more than one-fourth of the total emigration figure.

The tide of refugees, enforced migrants, and economic migrants from the former union republics into Russia could soon reach 6 million people. If the processes of destabilization in the former union republics ease, the number of potential migrants could be expected to be in the 2-3 million range. However, if there is a further worsening of the sociopolitical situation and the economic crisis and a broadening of the geographical spread of interethnic conflicts and discrimination against non-indigenous peoples, specialists of the Federal Migration Service believe that the potential tide of migrants could at least double and reach 4-6 million.

According to Tatyana Regent, leader of the Federal Migration Service, "the Russian migration service has the capacity to receive, place, and accommodate even such a significant influx of refugees." But for that it is necessary to resolve some financial problems: Given the acute shortage of state funds for the implementation of a large-scale program for the reception of migrants from the former union republics, it is necessary to attract resources from extrabudgetary sources.

Appeal Court: Andronov Article Violates Media Law

PM1304104994 Moscow ROSSIYSKAYA GAZETA in Russian 13 Apr 94 First Edition p 4

[Russian Federation President's Court of Appeal for Information Disputes Statement No. 1 "On I. Andronov's Publication in the Newspaper ZAVTRA"]

[Text] The Russian Federation President's court of appeal for information disputes, having examined the content of several items published in the mass media, television programs, and other information items, considers it necessary to issue the following statement.

While Russian Federation President B. Yeltsin has advanced and is implementing the nationwide unifying idea of civil peace and accord, the consolidation of the Russian state on this basis, and the promotion of reforms and democracy—an idea which is encountering increasing support in society—some mass media have adopted a drastically destructive stance.

The use of rumors, stories, and reports based on unverified facts and leading to the fueling of tragic interethnic conflicts, overt immorality, the groundless and unproven defamation of Russia's institutions of statehood, and as a whole the abuse of freedom of speech have unfortunately become the trademark of several publications and television and radio programs.

These items aimed at destabilizing the sociopolitical situation in Russia include I. Andronov's article "Secrets of the Kremlin" published in the newspaper ZAVTRA, issue no. 11 for 16 March 1994.

The author tries to discredit, diminish, and hurt the Russian Federation president with profoundly immoral and malicious speculations on the subject of his health and, not spurning the basest methods, is seeking to introduce into the public consciousness the idea that the head of state is an incapable and incapacitated politician.

I. Andronov adorned his article with numerous quotations, unfounded and taken out of context, from various sources, mainly foreign ones, and mixed them with rumors and conversations known only to himself, providing the whole with his own unseemly comments.

Taking advantage of the fact that the press services of federal state organs do not always promptly cover the work and state of health of Russia's top statesmen and do not promptly deny various insinuations in this field, the author voice completely unfounded speculations, spreads absurd stories, and draws far-fetched historical parallels—and all this to sow alarm and lack of confidence, to pile up obstacles on the path to civil accord.

But for his own highly dubious publicity he uses cock and bull stories which obviously have nothing to do with the author about his importance, the attempts made on his life, and similar "detective thriller" stories.

Assessing I. Andronov's item, the court of people realizes that, of course, it is futile to reason with and appeal to the conscience of the editor of a newspaper of the "spiritual opposition," which prints such items. At the same time it would also be wrong to leave them unheeded and unassessed, and that includes the odious item produced by I. Andronov.

A legal barrier should be erected against flagrant, shameless, and unjustified attacks on Russia's institutions of statehood and on their leaders and representatives and here ethical values should be used.

The court of appeal believes that I. Andronov's article "Secrets of the Kremlin" is an abuse of the free mass media and violates article 4 of the law on the mass media and universally accepted ethical norms and serves as justification for warning the chief editor that the newspaper ZAVTRA could cease publication.

The court of appeal is sending its statement to the Russian Federation Committee for the Press for the adoption of the measures stipulated by the law against the newspaper ZAVTRA.

[Signed] A. Vengerov, chairman of the court of appeal, 4 April 1994, Moscow.

Military, Space & Nuclear Issues

Chernomyrdin Speech on Cosmonautics Day

LD1204202994 Moscow Russian Television Network in Russian 1851 GMT 12 Apr 94

[Address by Prime Minister Viktor Chernomyrdin to audience at concert in the Kremlin Palace in Moscow on Cosmonautics Day—live or recorded]

[Excerpts] Dear participants in the celebrations, dear veterans, scientists, cosmonauts, engineers, designers, people who have taken part and are taking part today in the creation of unique systems, I must first of all pass to you—all of you who work in this sphere—warm greetings and congratulations from the President of Russia Boris Nikolayevich Yeltsin. [passage omitted]

Things are difficult today, yes. More difficult than ever. But I can tell you one thing—despite all the difficulties this government will not be the last government, the one under which people will cease talking about cosmonautics. We will do all we can. I would not like to be the last premier, the one who stopped progress in the sphere of cosmonautics.

Today this really is one of the very few branches of Russia's national economy which is continuing to bring glory to and do great things for our country confidently, calmly, and with certainty. I think that the program which Russia has before it today—the program before our fatherland and cosmonautics—will always continue, today and tomorrow and in all the years to come. The things which we are doing today, the fact that we are creating unique systems jointly with other states, including the United States of America and with the countries of Europe, this once again uniquely testifies to the fact that Russia, the scientists of Russia, the techniques, and the technology created in Russia exists and will exist for centuries to come. [passage omitted]

Once again, dear friends, I wish you success, health and patience on our national festival. Thank you. [applause]

General Cites Peaceful Uses of Strategic Missiles

LD1204142194 Moscow ITAR-TASS in English 1102 GMT 12 Apr 94

[By ITAR-TASS special correspondent Anatoliy Yurkin]

[Text] Mirny, Arkhangelsk Region, April 12 TASS—The Topol (Poplar) missile complex, which has no analogues in the world, is not only operational with Strategic Missile Forces (SMF) to ensure Russia's worthy parity but is also used for peaceful purposes, Lieutenant-General Yuriy Zhuravlyov, chief of the state test site of the SMF, told ITAR-TASS on Tuesday.

The launch of a "Start" communications satellite demonstrated the Topol's unique resources in the peaceful uses of outer space. A heavy-duty communications satellite is to be launched soon, Zhuravlyov said.

Within the framework of Russian defence-industry conversion to civilian uses, experts consider the possibility of using the test site facilities for participation in commercial launchings, in which many countries show interest. If only initial funding, which will subsequently bring in revenue quickly, is essential for implementing conversion programmes. The allocation of funds for the needs of the state test site of the SMF has been now reduced to the minimum, Zhuravlyov lamented.

Chelyabinsk Chemical Plant 'Disaster Area'

LD1204163094 Moscow INTERFAX in English 1138 GMT 12 Apr 94

[Text] An expert of Russia's Social-Ecology Union Marina Khotuleva told newspeople in Moscow that the radiological situation in different areas of the Russian Federation was complicated owing to the continued operation of the state nuclear complex facilities. More specifically, the environmentalists are worried about the situation at the chemical plant Mayak in the Chelyabinsk Region of the Urals.

According to the Social-Ecology Union, Mayak produces daily up to 100 Mn [million] curie [Ci] of radioactive waste and dumps more than 1 Mn Ci into the lakes Karachai and Staroye Boloto. The two lakes are responsible for the contamination of the region's underground waters.

Mayak operates in a zone of high seismic activity where earthquakes of up to 7 points on the Richter scale can take place, at the same time a number of man-made lakes with a total of some 400 cu m [cubic meters] of liquid radioactive waste in them have been dug out in the main flow of the Tech River.

The large amount of radioactive waste in the Chelyabinsk Region explains why there are 60 percent more cases of children's leukemia in Chelyabinsk-65 and Chelyabinsk-70, where Mayak operates, than in other industrial centers. The Social-Ecology Union feels the region must be declared an ecological disaster zone.

Concern over Space, Air Defense Situation

LD1204195994 Moscow Mayak Radio Network in Russian 1830 GMT 12 Apr 94

[From the "Slavyanka" program of the Russian Defense Ministry]

[Text] The Committee on Security and Defense of the Federation Council of the Russian Federal Assembly has held closed hearings on the problems of space and air defenses. Servicemen and those representing military sciences and industries said they are concerned about the state of space and air defenses. There is also concern over the implementation of the Russian president's decree setting up these defenses. The Government of Russia will be appraised of the conclusions reached by the hearings.

Buran Shuttle Producers Beset by Economic Gloom

PM1304095194 Moscow PRAVDA in Russian 9 Apr 94 p 1

[Tamara Smirnova report: "Buran's Creators Have Become Watchmen"]

[Excerpts] Only fanatics are left here now. Each morning they pass through the gate of their strict-regime enterprise and head along winding, echoing corridors to the shops and departments. It is hard to believe, looking at the shrouded instruments and the immobile bulks of machine tools, that quite recently everything here was humming, blinking, and vibrating—in short, life was in full swing. People were working in three shifts, as though possessed, not requiring a rest. There was something fantastic in the hush-hush Science-and-Production Association of Automation and Instrument Building, commonly known as the "Pilyugin firm." [passage omitted]

"My shop manufactured 42 instruments for Buran," Boris Kurochkin, leader of precision mechanics, said. "They control the craft from lift-off to landing. We take a month to 'lick into shape' a single component. Whereas it is possible to train a fitter in a year or two, it takes 10-15 years to 'perfect' an assembler-fitter in precision mechanics. The shop is unique. It produces unique instruments. For comparison: In the past there was one Faberge, but we have several. An attempt was made to adapt our Faberges to flow production. The result was lamentable: They all skedaddled. One is in roofing, another guards a warehouse, yet another serves in a store. The explanation for all this is simple—no wages. In the capitalist world a specialist of such caliber has earnings at the level of a banker. Here he makes less than a cleaning woman. How is it possible to keep an ace of precision mechanics on 40,000 rubles? Talk with the workers yourself...."

The shop where gyrostabilizer platforms are assembled and regulated. Here the need for cleanliness is as in an operating theater—specks of dust are counted per liter of air. Assemblers have to wear special cambric clothes. Even the cloths that are technically necessary to wipe surfaces are made of the same very fine fabric.

But this was in the past. This is how it was. Today there are no components on the work table of team leader Zinaida Bakhtina—just a ball of wool and knitting needles.

"Have you taken up knitting to while away the time?"

"Yes, unfortunately. There are no orders. Out of 22 work days we are employed for three or four, God willing. Specialists have gone into commerce. I am not suited for it. My soul does not accept what is going on in the country. A complete breakdown...."

Valentin Bykov, chief of the testing and diagnosis department, is still harsher in his views: "The democrats are lying when they say we squander money. Russian

technology is exceptionally economical—it bears no comparison with U.S. technology in terms of expenditure. Our engineer is more qualified and competent. He lets only a perfected article take off. In retrospect, we have had considerably fewer failures than the United States. But what are we forced to engage in now? Some businessmen came to us with their problem: They said they had bought equipment to counterfeit fashionable jeans but were afraid to install it on the second floor of a dry-cleaning establishment. Were the machine tools too heavy, and would the building suddenly collapse? We carried out their instructions and received money. But this is hack work! I am ashamed."

There is a lot of argument in the firm about conversion. In principle, the science-and-production association has never avoided tackling national economic tasks. It has been making medical equipment for more than a year. Designers are drawing up a system for the control of nuclear stations. They are racking their brains over a ground-effect machine, a huge transport craft capable of flying over the sea at low altitudes. Or take an instrument to predict earthquakes. Using complex algorithms and taking 21 indicators into account, the apparatus "paints" a portrait of the elements and predicts shocks long before they happen. But there has never been a demand for the method. The country is not creditworthy. It cannot afford the latest technologies. There can be no question of scientific developments for the long term.

No, it will not be a joyous festival for the creators of automatic space equipment. Rendered lifeless by poverty-stricken funding, the sector is withering day by day. But it is not even the beggarly existence that oppresses its creators but the lack of demand for their very lofty intellect. The country is losing its priorities in the world. The beautiful Buran has already been set up in Gorkiy Park to amuse the crowd. What will it be turned into—a sideshow or maybe a bar? A bird that was born to fly has had its wings clipped. Is not the same fate being prepared for Russia?

Baykonur Rent Still Issue Despite Treaty

*MK1304072094 Moscow MOSKOVSKIY
KOMSOMOLETS in Russian 13 Apr 94 p 1*

[Dmitriy Kholodov report: "What Did You Bargain For After All, Men? Baykonur in Prostration Again"]

[Text] Presidents Yeltsin's and Nazarbayev's signatures had hardly dried on the Baykonur treaty when Kazakhstan Vice Premier Galym Abelsitov stated: The \$115 million mentioned as the rent to be paid for the space center is payable by Russia on a monthly basis. In the interpretation of the Kazakh leaders, this is implied in Article 4, Item 2 of the Treaty: "The Russian Federation shall pay to the Republic of Kazakhstan rent for the use of Baykonur totaling \$115 million. Part of the rent can be paid annually on a compensation basis subject to agreement by the governments of the two sides." In Moscow they are making a helpless gesture—we thought

we were agreeing to pay on an annual basis! The Russian annual budget, too, calls only for 135 billion rubles (about \$80 million).

It appears that the high contracting parties were only trying to agree on the sum. The basis on which it is to be paid has yet to be "finalized."

In the meantime, tomorrow is the launch, "according to the new rules," of the first "Proton" rocket carrying three satellites of the GLONASS navigation system adopted by Russia on 24 September 1993, which enables orientation with an accuracy of 100 meters.

Space Project With U.S. To Reach Sun, Pluto

*LD1104164594 Moscow ITAR-TASS in English 1113
GMT 11 Apr 94*

[By ITAR-TASS correspondent Vladimir Rogachev]

[Text] Moscow April 11 TASS—Russia and the United States have embarked on a new stage of cooperation in outer space. During this stage interplanetary stations are to study the sun and reach Pluto, the outermost known major planet of the solar system. Scientific delegations on space exploration of the United States and Russia discussed this bold idea and a number of other projects for cooperation in the exploration of the universe. Their meeting ended on Saturday.

Under the programme a U.S. probe will carry a Russian optical module to the sun. A complicated trajectory of the flight has been charted. With the use of a highly-reliable Russian carrier "Proton" the probe will be put on a trajectory of a flight to Jupiter. When the probe is near Jupiter, the gravitation field of the huge planet will turn it, and it will be directed to the sun. Close to the sun, the Russian module will be separated and will collect information about the solar atmosphere and surface.

Another joint flight is planned for the beginning of the 21st century. It will be the flight to Pluto and its satellite Charon. The main planets of the solar system, except for Pluto and Charon, have already been studied by Russian and American interplanetary stations. So the planned flight is of vast scientific interest. During the flight the Russian probe will be separated from the apparatus and will reach either Pluto or its satellite. Experts believe much promise is offered by the idea of using a U.S.-made small-size apparatus with new instruments and a large-capacity Russian booster-rocket and a Russian-made descendable probe meant for measurements in the atmosphere and surface photography. Aside from other advantages, this cooperation will make it possible to reach the remotest planet of the solar system in less than ten years.

Exploration of Mars is planned to be continued. Two spacecraft carrying Russian and American scientific equipment are planned to be launched to Mars in 1998 and 2001.

Plans for cooperation in astronomy and astrophysics were also considered. Experts believe that spectro-roentgen-gamma project will make it possible to create an orbital observatory to try unravel space mysteries such as black holes, neutron stars, pulsars, novas and supernovas and to study the universe. There is also an interesting project for an orbital radio observatory, Radioastron.

The final document of the meeting was signed by Wesley Huntress, a chief of NASA, the National Aeronautics and Space Administration, and Yuriy Milov, deputy general director of the Russian Space Agency.

Economic Issues

Yeltsin Signs Budget Law for 2d Quarter

LD1104181294 Moscow INTERFAX in English 1556
GMT 11 Apr 94

[Text] On Monday President Boris Yeltsin signed the federal budget law for the second quarter of 1994 which binds the government to finance spending in the first half of the year based on the guidelines for 1994.

The Central Bank was ordered to offer the government a credit of 10.6 trillion rubles to cover the budget deficit. The credit is given for 10 years at 10 percent annual interest with repayment in equal installments as of 1998.

To restrict spending on federal government bodies the following ceilings have been set on current expenditures: 82 Bn rubles to the presidential administration, 11,303 Bn to the Council of the Federation of the Federal Assembly, 27,754 Bn to the State Duma, 15,189 Bn to the government (except ministries and departments).

The federal budget expenditures approved by parliament last week are set at 46 trillion rubles (25.2 percent of the annual figure), revenue - 28.6 trillion (23.7 percent of the annual sum) with a deficit of 17.4 trillion. The budget law came into force immediately after being signed by the president.

Text of Law

PM1304101794 Moscow ROSSIYSKAYA GAZETA in
Russian 13 Apr 94 First Edition p 1

["Federal Law No. 1-FL on Financing Expenditure from the Federal Budget in the Second Quarter of 1994"]

[Text] Article 1. The Russian Federation Government is to finance expenditure from the federal budget in the first half of 1994 on the basis of the federal budget projections for 1994 approved by the Russian Federation Government, in accordance with the taxes and payments that the federal budget actually receives.

Article 2. The Russian Federation Central Bank is to provide the Russian Federation Government in the second quarter of 1994 with credit totaling 10.6 trillion rubles [R] to wipe out the federal budget deficit. It is

10-year credit, to be repaid in equal installments, beginning in 1998, at 10 percent interest per annum.

Article 3. In order to curb expenditure on the upkeep of federal organs of state power, maximum amounts of finance for current expenditure are to be set in the second quarter of 1994:

For the Russian Federation President's Administration of Affairs (in millions of rubles):

Total: 82,000, including:

Russian Federation President's Administration: 27,754

Russian Federation Federal Assembly Federation Council: 11,303

Russian Federation Federal Assembly State Duma: 27,754

Russian Federation Government (aside from Russian Federation ministries and departments): 15,189

Article 4. This Federal Law enters into effect the moment it is published.

Russian Federation President B. Yeltsin.

The Kremlin, Moscow, 10 April 1994.

Chubays Notes Move to Investment Privatization

LD1204205794 Moscow ITAR-TASS in English 1958
GMT 12 Apr 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow April 12 TASS—"We are passing over from voucher privatization to the financial and investment one," chairman of the Russian State Committee for Property and Russian Vice-Premier Anatoliy Chubays told parliamentary hearings "on results of privatization and control over state property in the Russian Federation" at the state Duma here today.

In the words of Chubays, the main thing about the new stage of privatization is the upcoming reconstruction of joint stock enterprises. Their reconstruction is impossible without considerable investments in the Russian economy, said Chubays. That is why, the fact "millions of U.S. dollars and billions of rubles have been invested in privatized enterprises to ensure their high-efficiency and stability" was the most important result of the voucher privatization.

He said the committee is creating a net work of special funds to ensure investment support of privatized enterprises. Another result of voucher privatization is privatization of 70 per cent of small ventures. He said this process will be completed by fall 1994. At the same time, 15,000 out of the 19,000 large and medium enterprises have been turned into joint stock societies, which means "large privatization" has begun.

In the opinion of Chubays, "privatization vouchers created a single property space in Russia," and voucher auctions have proved their efficiency. Some 650 voucher investment funds are working in Russia, they are absolutely necessary element of the financial market and

efficient market economy, said Chubays. In his opinion, the funds will make the core of the non-state system of investments in the Russian economy.

At the same time, privatization has its costs. Speaking of crimes related to privatization, Chubays said his committee has "established close contacts with the federal counter-intelligence service" and this cooperation has brought results.

Zaveryukha Previews Wholesale Food Markets Decree

PM1204133594 Moscow ROSSIYSKAYA GAZETA in Russian 12 Apr 94 First Edition p 3

[Unattributed report under the "Chronicle" rubric: "Enough Food for All in Russia"]

[Text] The Russian Government is going to adopt a decree "On Developing Wholesale Food Markets" "in the very near future," Russian Federation Vice Premier Aleksandr Zaveryukha stated at the opening of the all-Russia wholesale fair in Sochi Thursday. In his words, the aim of the creation of such markets is "to accelerate the movement of foodstuffs into the trade network and also to form real market prices for food and regulate food payments." The vice premier stressed that "with the stabilization of production," Russia's agrarian sector "is perfectly capable" of supplying the country's population with the necessary quantity of food.

Fedorov on 'Claims' on Taxes, Russia's 'Collapse'

PM1204133994 Moscow IZVESTIYA in Russian 12 Apr 94 First Edition p 2

[Article by State Duma Deputy Boris Fedorov: "Budget Federalism or Russia's Collapse?"]

[Text] During the recent presentation of the budget, representatives of the government complained of the behavior of individual republics inside Russia which have failed to pay enormous sums into the federal budget. They complained and, to judge by press reports, went to create one more economic security service or to repeal the latest unconsidered decision such as increasing import tariffs.

Can you imagine a situation in which some state, prefecture, province, or even canton in another state ventured to withhold state taxes? Only in a nightmare. It simply does not happen, since it means the collapse of the state.

But in our country right now a single-channel system has in fact been introduced for the collection and transfer of taxes by Russian Federation republics like Bashkiria, Tataria, and Chechnya. Yakutia, Karelia, and other components of our Federation are making claims on the revenue earmarked for the federal budget.

The authorities' reaction? In the majority of cases it is a strikingly passive indifference. Last year attention was

successfully drawn to this issue and the president's edict on sanctions for nonpayers was published. Separatist agreements between the center and the components of the Federation were not undertaken.

You form the impression that many of our eminent politicians have confused federation and confederation.

What separate agreements can there be, what ownership of land, the subterranean depths, resources, and property by components of the federation, and what single-channel budget can there be? All this is a direct path to Russia's collapse. The people will hardly agree to that without objecting.

The legal assignment to components of such rights for components within the framework of some agreements or additions to the Federation Treaty is intolerable. It is already clear that it was the center's weakness which led to the adoption of an incomplete Federation Treaty, to the issue of countless benefits and privileges on a purely political basis in exchange for alleged support. It is characteristic that the more unjustified the concessions, the less respect for the center. Everything has been turned upside down.

Any recognition of the legitimacy of the single-channel system for collecting taxes and of the special rights of republics inside Russia leads to similar demands from the oblasts. A number of them are already raising these questions officially. Ideologists of the Ural Republic and other similar plans are well represented in the Federation Council.

The principle of budget federalism—the separation of the budget and taxes and a precise revenue base for the center and the components of the Federation—has successfully been included in the new budget system elaborated by the Ministry of Finances last year. If this system is adopted by the Federal Assembly we have a chance of resolving the problem peacefully.

We desperately need a tough political solution which would ideally contain the following points:

- unity of status and equal rights and powers for all components of the Federation;
- the categorical rejection of any forms of a single-channel budget system and of the adoption of the principle of the property of components of the Federation;
- the rejection of the Center's separatist agreements with individual components of the Federation which infringe on Russia's interests as a unified state, of endless subsidies to the regions for political reasons, and of attempts to isolate "national" banks in the republics;
- the banning of any attempts to discriminate against the republics' nonindigenous population;
- the toughest sanctions against those who have violated the principles of the federation.

What has been said does not mean that it is necessary to continue the separation of the powers of the levels of power, to decentralize the budget system, develop a two-channel taxation, or expand the rights of the components of the Federation in the economic field.

But delay in this field is like death. The state's strikingly unprofessional and impotent policy in this field is surprising. History will not forgive us the collapse of Russia, it must be halted.

Approval of New Tax Reduction Program Unlikely
MK1204132094 Moscow KOMMERSANT-DAILY in Russian 12 Apr 94 p 3

[Natalya Varnavskaya, Valeriya Ochinyan report in the "New Tax System Debated" column: "Yekaterinburg Is For a New Reform"]

[Text] Addressing a conference of heads of oblast and republic administrations in the Urals region on 9 April, Sergey Glazyev, chairman of the State Duma Economic Policy Committee, stated that the existing "tax system of Russia is a direct threat to the country's economy." In this context the Yekaterinburg-based association Russia's Taxes has been tasked within a month to work out and present to the State Duma a basically new tax system because without reforming the tax legislation "it is impossible even to start discussing the 1995 budget." Experts, however, doubt the feasibility of tax reform "Glazyev style."

The Russia's Taxes association favors the idea of reforming the tax legislation in effect since 1992. The proposed concept was approved by sessions of the Sverdlovsk Oblast Council and the Russian Government. Nonetheless up to now it has not been viewed as a serious alternative to the existing taxation system.

According to information in possession of KOMMERSANT-DAILY, the Yekaterinburg concept envisions a reduction (value-added tax from 20 percent to 13 percent) or full abolition (profit and income taxes) of those taxes which at present constitute the bulk of budget revenues, and also increasing the rate of resource and property taxes. It is proposed also to abolish the tax for exceeding the wages fund and basically to revise procedures for taxing enterprise property (exclude the enterprises' monetary assets from the tax base). The plan is to tax funds used for consumption; to impose a tax on the export of capital, the franchise to produce minerals, and "on ecology." According to estimates by the concept's authors, if their system is adopted, the taxation level for enterprises in the processing industry will constitute not more than 25 percent (instead of 44 percent at present). Moreover, increasing the tax on property will lead to its more effective and rational use.

According to KOMMERSANT-DAILY's experts, in spite of the fact that it is supported by a wide circle, the adoption of the new tax program promoted by Sergey Glazyev is unlikely—because the idea of such a reform in

the tax legislation is opposed not only by influential factions in the State Duma led by Gaydar (Russia's choice), Nikolay Medvedev (New Regional Policy), and Boris Fedorov (12 December), and representatives of the Finance Ministry and the State Tax Service but also representatives of the presidential administration. Thus, Yevgeniy Yasin, chief of the administration's analytical center, stated at a recent Interaction club meeting that "if the government does something 'Glazyev style,' it would be a catastrophe."

Yarov Notes Unemployment, Poverty Figures
PM1204131394 Moscow ROSSIYSKAYA GAZETA in Russian 12 Apr 94 First Edition p 3

[Unattributed report under the "Chronicle" rubric: "Unemployment Figure Could Rise"]

[Text] The year 1994 will possibly be considered a triumph for the bloc of social ministries if they manage to prevent a rise in the number of people living below the poverty line. That was stated by Russian Federation Vice Premier Yuriy Yarov at a press conference in Moscow. Labor Minister Gennadiy Melikyan, who was also there, announced that according to the figures for February, 16.7 percent of Russians were living below the poverty line. "This is the lowest figure since 1991," he noted. At the same time, Vice Premier Yu. Yarov noted that a sharp increase in the number of unemployed is expected this year.

Officials Differ on Unemployment Figures
MK1204123094 Moscow SEGODNYA in Russian 12 Apr 94 p 2

[Gleb Cherkasov report under the "Employment" rubric: "Labor Minister Fear Mass Unemployment and Hopes for Sensible Government Policy"]

[Text] Gennadiy Melikyan, minister of labor and employment, and Fedor Prokopov, head of the Federal Employment Service, yesterday briefed journalists on the general situation on the Russian labor market, presented data on today's level of unemployment, and tried to forecast the immediate future.

According to Mr. Melikyan and Mr. Prokopov, as of today employment services have registered 1 million unemployed while another 3 million people did not wish to solve the problems of their employment with the aid of official structures and are looking for jobs on their own. The number of partially employed is approximately 4 million people, but Mr. Melikyan underlined that it was virtually impossible to do a precise count of those affected by "hidden" unemployment. Speaking about prospects of unemployment's growth, Mr. Melikyan and Mr. Prokopov differed somewhat in their assessments. According to the minister, the number of unemployed will amount to around 3 million by the end of 1994, while the employment service head thought that as many as 3 million would apply to his agency alone with the

total number of unemployed being considerably higher. As for "hidden" unemployment, according to the Ministry of Labor's rough estimates, it will amount to between 4-8 million people by the end of 1994. Explaining the reasons for such a wide spread in the forecast figures, Mr. Prokopov pointed out that the Ministry of Labor and the Employment Service are to a certain degree "hostage to the government course," and that if a "tough" financial policy is followed, the number of evident and hidden unemployed may exceed the projected figures. Gennadiy Melikyan also stated that unlike many Western European countries, Russia would not be able to bear a 25-percent unemployment level "owing to peculiarities of the national character."

According to Mr. Prokopov, the unemployment problem is especially acute in Ivanovo Oblast, Ingushetia, and in the Far North. As for hidden unemployment, this ailment affects most regions where the defense industry is predominant. Speaking about measures the Labor Ministry is taking regarding retraining of the unemployed, Mr. Prokopov stated that the structures that had done that in the past are in ruins and that "serious financial injections" are necessary to restore them.

At the same time, in Mr. Prokopov's opinion, finding a job is not that difficult, but the existing vacancies mainly offer a stable job at low pay (working in the state sector), or high pay in the absence of the usual labor guarantees (new economy).

Touching on the question of possible competition for jobs by refugees and economic immigrants to those who live in Russia, Mr. Prokopov pointed to the fact that their pressure on the labor market is insignificant.

Speaking about current migration processes, Mr. Melikyan pointed out the existence of two main processes: an outflow of the population from the Far North to the European part of Russia, and a partial outflow of the urban population to rural areas. Having noted the irreversibility of the depolicization process, the minister recognized the economic objectivity of mass migration from the areas of the Far North and stated that his agency is preparing a federal program designed to facilitate social adaptation of resettlers.

Industrial Production Falls 25 Percent

LD1304102894 Moscow Radio Rossi Network in Russian 0900 GMT 13 Apr 94

[Text] According to the Russian State Statistics Committee, industrial output in the country in the first quarter of this year fell in comparison with the same period of last year by nearly 25 percent. A year ago the analogous index amounted to only 19.3 percent. About 5,000 enterprises were forced to suspend production in the first quarter in the majority of cases because of problems with the sale of output. INTERFAX notes that at the beginning of last year the analogous stoppages occurred for lack of components, fuel, and raw materials.

Accelerated Rate of Industrial Decline Analyzed

LD1204170894 Moscow INTERFAX in English 1300 GMT 12 Apr 94

[Text] In the first quarter of 1994, industrial production went down by 24.9 percent in Russia compared to the same period in 1993—the highest index since reforms began. A year ago, industrial decline stood at 19.3 percent. Russia's State Statistics Committee told Interfax that the rate of industrial decline had increased from 23.1 percent to 24.1 percent in February, and to 27.4 percent in March. In experts' estimate, volumes of production are being increasingly determined by demand, not by the availability of resources which was typical over the previous couple of years.

Production stoppages occurred at almost 5,000 enterprises. However, whereas at the beginning of last year stoppages were mostly due to shortages of components, raw materials and fuel, in the first quarter of 1994 stoppages were caused by the absence of demand. In the consumer sector, for instance, it is difficult to sell products because of the population's re-orientation to imported goods.

The fuel and energy branches have reduced the production of oil and coal by 9-15 percent (the production of gas remaining stable), machine-building and light-industry enterprises have cut down production almost two times, the chemical industry by 25-30 percent, steel industry by 20-25 percent and food industry by 10-20 percent. In the first quarter of the year, Russia produced 75.7 Mn [million] tonnes of oil, which is 15 percent down from the volume produced during the same period last year.

Skokov Finance Activities, Ambitions Viewed

MK1204131094 Moscow NEZAVISIMAYA GAZETA in Russian 12 Apr 94 p 2

[Arkadiy Nikiforov report in the "Power" column: "Boris Yeltsin Supports Yuriy Skokov's Proposals. Viktor Chernomyrdin Has Been Tasked With Promoting Collaboration With the Russian Commodity Producers Federation"]

[Text] As has become known, Boris Yeltsin recently considered and approved proposals by the Russian Commodity Producers Federation [CPF] urging prompt measures to salvage domestic industrial and agricultural production. As NEZAVISIMAYA GAZETA reported earlier, the message by CPF Chairman Yuriy Skokov to the Russian president presented proposals on organizing a system of interaction between the federation and the government to map out and undertake concrete joint actions. Boris Yeltsin tasked Viktor Chernomyrdin with setting up contacts with the CPF in the interests of overcoming the catastrophic production decline and slowing down the growth in unemployment.

Interestingly, the CPF's initiatives are meeting with approval not only in the Kremlin but also abroad. During Yuriy Skokov's visit to Germany in March and

to France in April, representatives of government and business circles in those countries accepted the CPF's proposal to conclude agreements with the major employers' associations of these countries. Such agreements should make up the foundation for a system of nongovernmental interaction between Russian and foreign commodity producers which is expected to resolve a whole number of complicated problems of international economic cooperation and collaboration.

Practical activity to create a system of basically new interrelations between Russian manufacturers and their own government and foreign partners is a real step toward forming a complex market infrastructure, without which a free enterprise system cannot work effectively. In this context Yuriy Skokov's activity finds understanding not only among large Russian businesses but also, for example, in U.S. financial and banking circles. Thus, a member of the U.S. delegation led by the U.S. commerce secretary who visited Russia at the end of March stated that the period of reform "from above," associated with the name of Yegor Gaydar, has passed. Today reforms will produce an effect only if the painstaking efforts by Skokov and others to create viable elements of a modern market economy, based on Russia's specifics, are a success.

Next to Yuriy Skokov's declared intention to contest the 1996 presidential elections, the tactics and strategy of his actions appear peculiar. Unlike other potential presidential candidates, he has practically given up active self-promotion in the mass media, apparently believing that the best advertising is his strongly consolidated position as a leader in domestic financial-industrial capital.

Unemployment Forecast for Graduates

PM1204114394 Moscow ROSSIYSKAYA GAZETA in Russian 12 Apr 94 First Edition p 2

[ITAR-TASS report: "Swelling Ranks of Unemployed"]

[Text] In 1994 the majority of graduates from grades nine to 11 in general education schools and from higher educational establishments in Russia will swell the ranks of the unemployed. This was stated by Fedor Prokopov, leader of the Federal Employment Service, addressing the second session of the Russian Academy of Social Sciences.

According to forecasts of specialists from the Federal Employment Service and the Russian Federation Ministry of Education, in the fall of 1994, 0.5 million school graduates and about 100,000 young people with higher education will be thrown onto the open labor market. In all, about 700,000 people will be left with no chance of finding work in the sphere of the traditional economy.

Private Farmers Hit by Financial Problems

PM1204121394 Moscow ROSSIYSKAYA GAZETA in Russian 12 Apr 94 First Edition p 1

[Unattributed report from ROSSIYSKAYA GAZETA, ITAR-TASS roundup under "Yesterday, Today, Tomorrow" rubric: "No Money for Sowing"]

[Text] A considerable number of Russian private farmers are in danger of not sowing their fields this spring. That was stated by Vladimir Bashmachnikov, president of the Association of Russian Peasant (Private) Farms and Agricultural Cooperatives [AKKOR].

According to his figures, 10-40 percent of land occupied by private peasant farmers could go unsown in various regions. The AKKOR leader said that this situation is due to financial problems which have become particularly aggravated this season.

Federal Assembly

Duma Drafts Statement on Balkans Conflict

LD1204145394 Moscow INTERFAX in English 1300 GMT 12 Apr 94

[Text] If the State Duma does not support the draft statement on the latest events in former Yugoslavia, this document will be published on behalf of the factions of the Liberal-Democratic, Communist, Agrarian and Democratic parties, and possibly of the Party of Russian Unity and Concord and the New Regional Policy group, Chairman of the State Duma's Committee for Geopolitics Viktor Ustinov (the LDPR) told Interfax.

He said that on commission from the State Duma Council, his committee had drafted a statement which says that "the signs of settlement in the Balkans have been brought to naught" and that the conflict was assuming a dangerous character, while the U.S. began to play the role of world gendarme. It also says that the U.S. is disregarding Russia and its interests.

The draft statement demands that the UN Security Council's resolution on the use of NATO forces in the Balkans be suspended and that the Security Council urgently discuss the situation in former Yugoslavia. "We must give a worthy response to the U.S. which does not take Russia's opinion into account," said Ustinov.

He said that the four parliamentary committees—for geopolitics, security, CIS affairs and industry—"are categorically against Russia's participation in NATO's Partnership for Peace program." If Foreign Minister Andrey Kozhevnikov signs the framework agreement on the program on April 21, "the confidence in the Russian leadership and government will drop by several percentage points," said Ustinov.

Duma Rejects Zhirinovskiy Party Discipline Move*MK0904091094 Moscow NEZAVISIMAYA GAZETA in Russian 9 Apr 94 p 2*

[Ivan Pavlov report in the "Parliament" column: "The Duma Voted by Secret Ballot. The Idea of Imperative Mandate Has Again Been Rejected"]

[Text] The State Duma yesterday yet again met a request from the Liberal Democratic Party of Russia [LDPR] leader and decided to vote on an amendment moved by the party's Duma faction to the law on the status of deputies to the Federal Assembly on the so-called imperative mandate. Under this amendment, the powers of a deputy elected on a party slate, except for some of the provisions enumerated in the law, are also terminated when a particular deputy leaves his faction without its consent or when he is expelled. Furthermore, his powers are terminated in the event that he is struck off the party slate on the decision of the supreme party body.

Vladimir Zhirinovskiy made a speech again, drawing attention to the obscure status of those deputies who, if they have left their faction, find themselves in a strange position: They will have neither a territorial nor a federal constituency. Mr. Zhirinovskiy stated that the Duma has no need for "dead souls," describing the actions of such deputies as "treachery, pure and simple." He has received a mandate from his party and then walked out on it. Vladimir Borzyuk, a former member of the LDPR faction, objected to his former boss to the effect that he is the last man who should talk about honor and dignity because he himself has violated party rules, having forced a recent party congress to recognize him as a single and omnipotent leader.

On a Russia's Choice proposal, voting on the imperative mandate amendment was by secret ballot. Only 150 deputies voted in favor, with 173 against and 11 abstentions. It could be supposed that along with the LDPR, the idea of imperative mandate was supported by part of the communists and agrarians who are not particularly worried by the problem of "internal serfdom"—so far they do not have even potential fugitives—and also, possibly, by part of Russia's Choice. It was not accidental that the day before yesterday this faction's session was attended by an LDPR envoy, calling for the imperative mandate provision to be approved. It is not ruled out that this appeal fell on fertile soil because Russia's Choice regional chapters were somewhat angry at Genadiy Burbulis, who left their faction the same day.

Zhirinovskiy May Face Trial for Duma Brawl*MK1204140094 Moscow KURANTY in Russian 12 Apr 94 p 2*

[Yan Ulanskiy report: "The Inviolables"]

[Text] To all appearances, the brawl started by Zhirinovskiy on 8 April in the State Duma hall will cause a lot of trouble for the Liberal Democratic Party of Russia

[LDPR] leader. First, the "Russia's Choice" faction has demanded that Zhirinovskiy's outrageous escapades be stopped. The matter has been passed to the State Duma ethics subcommission. But this is nothing compared with what is to come. Complaints by deputies and a journalist, who were assaulted by Zhirinovskiy, and also by witnesses to the scuffle may have more serious consequences. State Duma Chairman Ivan Rybkin has promised to pass these documents to the general prosecutor. This entails the quite realistic possibility that a criminal lawsuit may be filed on charges of hooliganism.

In Vladimir Lukin's opinion, "any citizen should be brought to account for hooliganism." If the lawsuit is filed, Lukin will vote to strip V.V. Zh. [Zhirinovskiy] of his deputy immunity. Vitaliy Sevastyanov declined to comment on the incident, however, citing a lack of information. Many communists do not see any wrongdoing here at all, dismissing the affair as yet another clash between "Russia's Choice" and the LDPR. This appears all the stranger because none of "Russia's Choice" members was involved in the scuffle. Even though they apparently could have been. For instance, Aleksandr Osovtsov wished he were in the hall at the time. "I would have knocked his head off, with pleasure. You cannot get at him otherwise." Valeriy Borshchev, who participated in the fight, revealed a curious detail. When he saw that Zhirinovskiy was beating up Vladimir Borzyuk, he first of all turned to security personnel who maintain order at the State Duma. But they said that for them the deputies had inviolability whatever they might be doing.

Duma Faction Leaders View Accord Document*PM1304101294 Moscow ROSSISKIYE VESTI in Russian 12 Apr 94 p 2*

[Roundup by Pavel Anokhin of remarks by State Duma members: "Only a Madman Would Come Out Against Accord Today"]

[Text] The draft memorandum "On Achieving Civil Accord in Russia" which has been made public remains at the center of attention in the country's political life. The deputies have begun to study it in their parliamentary factions. We here present to readers the opinion of certain legislators from the State Duma.

Valentin Tatarchuk, executive secretary of the "Russia's Choice" bloc deputies' faction: "You certainly cannot harness a horse and a timid doe in the same yoke. The ideological differences based on political forces' differing interpretations of the processes taking place in Russia are not likely to be reconciled quickly. This is a long and complex process. But there is one thing that should be accepted by everyone and should be incorporated in the document—namely, a written agreement by political and social forces to pursue their activities and resolve their differences within the framework of the Constitution. We have no alternative today: Either we agree to resolve all our problems constitutionally and thereby

preserve civil peace, or, if no such document is adopted, we as a people embark on a path of self-destruction, and things will be worse here than in Yugoslavia."

Pavel Burdukov, member of the Agrarian Party of Russia deputies' faction: "Only a madman would come out against accord in Russia today. The question is, how can accord be achieved between someone living in semi-starvation and someone gorging on caviar, between a person walking along the street barefoot and the Mercedes owner who spatters him with street dirt?"

"The proposed draft prompts many urgent questions. If the agreement is to take the form of a social contract, then everyone should bear the burden equally—government structures, public movements, trade unions. A degree of one-sidedness can be sensed in the present document. For instance, the sides pledge not to use power structures to resolve conflicts. But which sides? Does the Agrarian Party have any power structures? It should be expressed like this: The president and the government pledge not to use the Army, the MVD [Ministry of Internal Affairs], or state security in resolving political disputes. Or take a second point, where it is stated that the trade unions are not to put forward economic or political demands. In that case the other side, having, for instance, stipulated the present standard of living, should pledge at least to maintain that standard. In that case the trade unions' pledge will be appropriate and justified. Certain points which are clearly impossible to fulfill also cause concern. Among them are the promise to lower the level of inflation by the end of the year and eliminate the decline in production."

"In my view, the form of the agreement should be sought more in the economic sphere, alleviating the life of particularly vulnerable population strata."

Aleksey Mitrofanov, one of the leaders of the Liberal Democratic Party of Russia and its deputies' faction: "The document is very serious, and our group is studying it carefully. We do not regard this draft as final, and we realize that adopting an 'Agreement' will not solve the problems. Nonetheless the Russian president's initiative creates a favorable moral and political atmosphere in the country. The draft enshrines a degree of accord between political forces on their standards of behavior, or rather, creates a code of conduct, and that is important."

"A number of positions incorporated in the proposed draft correspond in some respects to ours. For instance, it contains a provision on the need to strip any deputy violating the document, once signed, of his powers as a deputy. We advocate the imperative mandate, that is, the right of a faction to exclude renegades from the deputies' list. You will agree that otherwise the question arises: How can violators of the agreement be expelled from the 'body of deputies,' who can actually do this, and how?"

Nikolay Travkin, leader of the Democratic Party of Russia and its parliamentary faction: "Accord in society

today depends more on the government's actions. You can sign any document you like, but it is not worth anything unless nonpayments are also stopped and wages are no longer delayed."

"The proposed draft is an attempt yet again to resolve problems by way of a 'roundtable'—let's sit down and talk about it, issue a decree, and all will be well. The document itself prompts no objections, but it hardly changes anything in practical terms. There is no need to adopt any agreements to do that, it is simply necessary for the government to get down to some real work. But unfortunately the text of the agreement does not guarantee that the executive will start to move more energetically."

Natalya Malakhatkina, deputy chairman of the "Women of Russia" political movement's deputies' faction: "Our faction was an initiator of a memorandum like this, so we have studied its content with particular attention. It has a very high status, and there is a danger that it could come above the country's Fundamental Law. It duplicates many of the provisions of the Russian Constitution, and a number of its provisions are actually in conflict with the Constitution. We undoubtedly have here a product that is still raw, proposed by five 'roundtables.' But that is why we must do some serious work on it."

"For instance, I am concerned about the draft's precise definition of the order in which laws should be adopted. But what is the point of prescribing which law is to be adopted first and which second? You cannot do that—unforeseen situations may arise, and instead of accord, conflicts that nobody wants will arise."

Duma Accepts Council Conciliation Proposal

LD1304105194 Moscow 2x2 Television in Russian 0930 GMT 13 Apr 94

[Text] RIA reports: The State Duma has agreed with a Federation Council proposal to create a conciliation commission to overcome any disagreements which may arise. Disagreements arose after the Federation Council rejected a law, approved by the Duma, on the procedure for publishing federal constitutional laws, federal laws, and acts of the chambers of the Russian Federal Assembly and for their coming into force. From the State Duma, Vladimir Bessarabov, Sergey Zenkin, and Anatoliy Lukyanov, members of the Committee on Legislation and Judicial and Legal Reform, will be on the conciliation commission.

Regional Affairs

Balakovo AES Power Unit Shut Down

PM1304103394 Moscow ROSSIYSKAYA GAZETA in Russian 13 Apr 94 First Edition p 8

[Unattributed report: "Balakovo AES Turbine Shut Down"]

[Text] An insulator failure tripped the generator safety mechanism at the Balakovo AES [nuclear power station] No. 3 power unit. The turbine has been shut down. Once the trouble had been eliminated, the unit was set on 80-percent capacity. There has been no change in the radiation situation.

Ingushis Protest Hostage-Taking by Ossetians

LD1304132294 Moscow ITAR-TASS in English 1209 GMT 13 Apr 94

[By ITAR-TASS correspondent Sergey Ostanin]

[Text] Moscow April 13 TASS—100 angry Ingushis blocked a military township with Russian peace-keepers in Nazran on Wednesday in protest against the seizure by North Ossetians of an Ingushi hostage, TASS learned from the temporary administration in the zone of conflict.

On Tuesday North Ossetians stopped a convoy of Ingushi refugees returning to the North Ossetian village of Kartsa. They seized six Ingushis who they planned to exchange for three Ossetians captured on March 30. Russian peace-keepers are to safeguard the return of hostages.

Head of the Temporary Administration in the State of Emergency Zone Vladimir Lozovoy succeeded to talk the Ossetians into freeing the Ingushis, however one hostage remained in captivity and his fate is unknown. According to the source, the tensions may tell on the second round of negotiations between the North Ossetian and Ingush presidents scheduled to take place in Nalchik.

Chechnya Appeal for Reconciliation Dialogue

LD1204181194 Moscow ITAR-TASS in English 1453 GMT 12 Apr 94

[By ITAR-TASS]

[Text] Moscow April 12 TASS—The government of the people's trust and the Constitutional Court of the Republic of Chechnya has called on all social and political forces of Chechnya to begin a dialogue aimed at achieving national reconciliation. The text of the appeal was communicated to ITAR-TASS.

Appointments for interviewing prime minister of the Republic of Chechnya government of the people's trust can be fixed by telephone: 278-62-74. Please, ask for Sergey Moyseyev.

"The fate has once again given a chance to the Chechen people, perhaps, the last. Russia in the person of the State Duma has for the first time rejected a solution to the "Chechen problem" by using force, and has proposed peaceful means for settling mutual relations. Missing this chance will be a crime in the eyes of the people and history. Our progeny would not forgive us for this. But it is quite reasonable not to take advantage of the prospects

opening before us under the conditions of a confrontation between political forces and movements of Chechnya," the appeal stated.

The appeal is signed by Prime Minister of the Government of the People's Trust Y. Mamodayev and Chairman of the Constitutional Court I. Gerikhanov. It contains proposals how to take first steps towards practical reconciliation. It asks the president of Chechnya, as a guarantor of rights and liberties to citizens, together with the parliament, constitutional court, lawful prime minister, and with the participation of the masses to take measures for achieving national reconciliation, and also prepare a programme for holding a political dialogue with Russia.

The appeal assumes that during the talks with Russia a moratorium will be imposed on all conflicts between parties, movements, different branches of power, state leaders, religious and social workers and individual citizens (in the form of blood feuds, disputes over land, etc.) for the sake of an equal and mutually acceptable treaty with Russia. It also asks for suspending decisions adopted by state power bodies of Chechnya, which can become a subject of talks between Russian and the Republic of Chechnya.

Bomb Explodes in Yekaterinburg Courtroom

LD1204165794 Moscow ITAR-TASS World Service in Russian 1615 GMT 12 Apr 94

[By ITAR-TASS correspondent]

[Text] Yekaterinburg, 12 Apr—An unidentified device exploded early this morning inside the building of the Verkh-Issetskiy Rayon courthouse in Yekaterinburg. There are no dead or injured. A wall of the building, two courtrooms and a guardroom were destroyed. No details have been given. An investigation is in progress.

Yaroslavl Oblast Assisting Defense Conversion

PM1204124394 Moscow ROSSIYSKIYE VESTI in Russian 9 Apr 94 p 2

[Vladimir Semenov report: "Loans Not Yet Panacea. Necessary To Be Able To Adapt"]

[Text] Yaroslavl—Yaroslavl Oblast has managed to find a way to support defense plants and help them in the conversion process. But this is not charity by the administration. The aid has been and continues to be available on market terms.

In 1993 the oblast made the first attempt in Russia to finance conversion mainly through soft loans. In accordance with the ratified program, more than 1.2 billion rubles [R] were to have been allocated from the oblast budget last year. But only 60 percent of these funds were allocated owing to limited financial resources, and the last R189 million was paid out to enterprises at the very

end of the year. Consequently, investment has been delayed. The other problem reflected in the results was inflation and price growth.

Nonetheless, the work on the conversion program has enabled a number of defense enterprises to survive at a time of a general production slump, to retain qualified staff, and to organize production of new types of output—namely, 47 buses, 3,500 microwave ovens, 3,150 liquid-fuel stoves, 100 milk coolers, and so forth. In all, output worth R2 billion has been produced under the program, and goods worth R500 million have already been sold—which shows that there is a good level of demand.

Of course, there have been some unforeseen situations. For instance, the "Kholodmash" enterprise has stopped producing microwave ovens, since the oblast requirement for these products is met by the Rybinsk Instrument-Making Plant. "Kholodmash" then quickly switched to domestic refrigerators instead. The "Start" Design Bureau gave up the manufacture of portable digital nitrate measuring devices, since demand for them had in practice fallen. Although you would have expected the reverse. After all, the entire world monitors food quality. But, clearly, we have not reached that point yet. And returns on investment have not always justified the expenditure. Thus, despite using a R238-million loan from the oblast budget and R235 million from its own resources, the "Mashpribor" Plant produced output worth just R197.4 million.

The oblast conversion program has been under way for 6 months, and a number of items are at the experimental mockup stage, undergoing testing, or being made ready for series production. These include electric choppers and electric meat grinders produced by the "Mashpribor" Plant, portable color camcorders [televideoustroystva] from the Rybinsk Instrument-Making Plant, domestic air conditioners and refrigerator compressors, a series of medical instruments, and so forth.

This year, the administration's collaboration with enterprises from the defense industry complex is undergoing certain modifications. Whereas previously enterprises' programs were taken at face value, the reluctance to "throw money down the drain" has now forced the administration to somewhat tighten up the requirements it places on the plans that are submitted.

Specialists have elaborated a standard type of investment project which answers the three main questions of: "What is being produced, how will it be produced, and who is it for?" Unless a product has a known sales market, projects will not even be accepted for consideration.

At the start of the year the administration drew up proposals on the industrial side of the budget for the oblast's development in 1994. The budget includes 37 investment projects and programs—29 of which relate to conversion. Many of them have received expert scrutiny

from a working group at the Institute of the Economic Problems of the Transitional Period.

The very names of these projects show the great opportunities that exist for expanding defense enterprises' economic activity and for them to successfully find their place in the Russian consumer market and boost their export potential. The Rybinsk Instrument-Making Plant has submitted a project for the production of electronic engine management systems, along with a plan to organize production of wind-power installations. The "Kholodmash" Plant will continue to produce compressor motors for refrigerators and transportation air conditioners. "Mashpribor" has elaborated a whole program for the manufacture of production and technical output. "Yaroslavlrezinotekhnika" has also joined the conversion program, with a plan to produce carbon strips and building structures made out of cellular concrete.

The oblast administration has started to set up an investment projects bank. After all, if they survive, it will be necessary to move forward.

Far North's Socioeconomic Problems Detailed

PM1204151194 Moscow TRUD in Russian 8 Apr 94 pp 1,2

[Fedor Yemchenko report: "Diamonds Beyond Number. But Even More Problems. Situation in Far Northern Regions Is Becoming Critical"]

[Text] TRUD has already published a report on the hunger strike by women from the "Tokhomo" Geological Exploration Enterprise in the Evenki Autonomous Okrug. The reason for the hunger strike is that the workers have not been paid since last summer. The money due for the work they have completed was finally "wrung out" of the enterprise by means of tears and a strike. But the enterprise's future remains in question. The state used to invest considerable sums in organizing the Evenki oil exploration expedition. Highly skilled specialists have been assembled here. If "Tokhomo" goes bankrupt, the result will be further losses for the state.

No sooner was the hunger strike by the women of Baykit brought to an end than the "protest relay" was taken up by six representatives of the "Norilskstroy" Association's trade union committee.

We learned recently that a three-day hunger strike was declared from 1 April in Igarka by six workers at the geological exploration expedition. The reason was the same: Work was no longer being financed and people were not getting paid.

The problems being experienced by the working people of the North have not cropped up overnight or even in the recent past. Four years ago the Federation of Independent Trade Unions of Russia held a conference in Murmansk at which the region's social and economic

problems were discussed. Incidentally, the region provides the state with 75 percent of its oil, 92 percent of its gas, 100 percent of its gold and diamonds, and 70 percent of its timber. According to calculations by specialists, every worker in the northern expanses provides the country with revenue which is three times that generated by the average Russian worker. But it is becoming increasingly difficult to live here. At the Murmansk conference the trade unions stated: "The North is sick, disaster is approaching. Contradictions between production and social amenities have driven people to despair. The pathetic incentives on offer have lost their attractiveness given the chronic lack of food and basic necessities."

Last year, under pressure from the trade unions, the Congress of People's Deputies adopted the Law "On State Guarantees and Compensation Payments for Northerners," and presidential edicts and government decrees aimed to stabilize the social and economic situation in the Far Northern regions.

Nevertheless the situation in the region during recent years has not only failed to improve but has actually reached the critical level. Another trade union conference on the problems of the North—the fourth—was held in Moscow at the end of March. In addition to delegates from 18 territorial trade union associations, deputies from the State Duma and Federation Council, members of the government, and representatives of ministries and departments took part in its work.

Following Russian tradition, the leitmotiv at this conference was encapsulated by two questions: Who is to blame? And what can be done? Whereas practically every speech contained the answer to the first question—the government—few had anything definite to say about the second. The absurdity of the situation is that the present government cannot act within the framework of the laws adopted in the state even if it wants to. Dmitriy Lukashenko, chairman of the Komi Republic Trade Union Federation, gave the following example. Deputy Finance Minister Vyacheslav Korolev stated bluntly at parliamentary hearings that we have not implemented the Law on the North and we do not intend to do so. "What do you mean?" the astonished parliamentarians demanded. It seemed like nonsense to hear this sort of thing directly from a ranking state official. And then, without any embarrassment whatsoever, V. Korolev hit back with the assertion that there is simply no money to implement the law!

Indeed, to fully implement this law would, according to various assessments, require an appropriation of 35-80 trillion rubles from the state budget. It is abundantly clear that the government cannot manage this and is obliged to maneuver between two extremes: Either it must pay the northerners the amount laid down by the law and thereby stoke up hyperinflation, or it must secure major amendments to the law from the State Duma. Which, incidentally, is already being done. A report leaked to the press, stating that the government

has prepared a draft decree on abolishing some of the benefits payable to northerners, has provoked a negative reaction. A strike committee has been formed in the Komi Republic.

"If the benefits stipulated by the law are cut," Dmitriy Lukashenko stated at the conference, "products from our republic will stop arriving in the Russian center. We will block railroads and highways. Oil and gas wells will only 'operate' insofar as is necessary to satisfy the region's internal needs. We will only send what is left over to consumers in other regions in order to avoid shutting down the wells altogether. We will stop transferring taxes to the federal budget...."

This menacing ultimatum is unlikely to be adopted. In my view, the trade union leader's resoluteness contained more in the way of emotional charge than considered appraisal. It is not hard to conjecture what the consequences of such a step would be: They would hit working people first and foremost. At the same time we should bear in mind that the pursuit of a policy based on the postulate that "the Russian peasant will endure anything" is becoming extremely dangerous. It seems the power structures are well aware of this. The representative branch, at any rate. The State Duma and Federation Council are planning to review the blueprint determining state policy in the northern regions. Whatever transpires, it remains a fact that the North always was and continues to be Russia's principal "storehouse" of raw materials. Without the preservation and development of the economy of these regions, which, incidentally, comprise approximately 65 percent of our state's total area, it becomes impossible to envision the rebirth of Russia, a topic which political leaders love to talk about.

Polls that have been carried out show that over 50 percent of the workers currently employed in the Northern regions would be prepared to leave the area at the present time. The only thing holding them back is the lack of money to pay their travel costs and the dim prospect of finding somewhere to live in another area. Attempts by individual "desperate souls" to overcome these obstacles often come to a sorry end.

Gennadiy Loginov, director of the Kola Scientific Center attached to the Russian Academy of Sciences, gave this example. Some 200 families left Zelenogorsk, he said. They sold everything they had, their apartments and furniture. They scraped together the money to make the journey. They simply trundled around the central oblasts and came back again. It was practically impossible for them to find work to match their skills, and they had no place to live. Apartment rental prices are crazy. You can imagine the situation they are in now....

It is not hard to imagine. It is far harder to answer the question: How can these people be helped? After all, most of them did not come here as a result of any romantic delusions. Some were sent here after training, others sincerely responded to party and government

appeals. The main point is that through their labor they have helped us to live more or less tolerably by pulling the whole country along, so to speak. And now they have become captives of this "white and silent expanse," it would simply be inhuman to abandon them to the mercy of fate.

However, let us analyze factors that are more tangible—economic reasons. We know that a significant proportion of state budget revenue comes from the gold extraction industry. It would seem that the government should pay most attention to this sector. But alas no! Judging by the situation that has developed in Magadan Oblast, nobody cares too much about federal budget revenue.

Many gold extraction enterprises in this region, according to Valentin Tsvetkov, deputy chairman of the Federation Council Budget and Finance Committee, are currently being forced to cut production. The extraction artels are only working sites where precious metal can be obtained without significant expenditure. In other words, they are "siphoning off the cream." In this respect the state is incurring enormous losses.

Enterprises which are fulfilling state orders for gold and diamond extraction are not being paid on time for their output. They have been obliged to take out loans with commercial banks and pay interest rates at the expense of their profits. This is how the "collapse" of the foreign currency sector is proceeding. You will agree that it is very hard to understand the logic of these actions by the government.

The economic problems of the northern territories, like those of the whole of our country, cannot be explained or justified merely by the hardships that have resulted from the changeover in the sociopolitical structures of society, the switch, so to speak, from developed socialism to insufficiently developed capitalism. Many of these problems have been generated by the mistakes that were made as reforms progressed. But mistakes, as we well know, are committed by specialists whose skills do not match up to the tasks they have undertaken to tackle. In my view, this encapsulates one of the reasons for the tragedy which our society is enduring.

The future of these people who find themselves in extreme economic and climatic conditions cannot leave us indifferent. The appeals to the president and the prime minister adopted at the conference that has just been held basically contain a single call: Ensure strict compliance with the law regarding social guarantees for northerners. Only time will tell whether this call will be heeded in the Kremlin and the White House....

Sakhalin's Agricultural Economy 'Collapsing'

OW1204224794 Vladivostok Radiostantsiya Tikhyy
Okean Maritime Network in Russian 0715 GMT 5 Apr
94

[From the "Pacific Ocean" program]

[Text] The Sakhalin Oblast Agricultural Union recently held a meeting to discuss the situation that has developed in the island's agricultural sector concerning the coming spring. Here is our Sakhalin correspondent Lyudmila Filipova with the details:

[Begin recording] The meeting noted that there was only a month and a half left before the beginning of the planting season, and that all agricultural enterprises are in fact bankrupt at present. That is, they cannot assure supplies of fuel, lubricants, seed, or fertilizer to begin sowing work, and only about 25 percent of the equipment is ready for spring field work. There has never been such a state of affairs in the history of the oblast. The level of work discipline is very low, although this is not surprising because wages have not been paid at some agricultural enterprises since October. The leading specialists have moved to other industries where wages are quite a bit higher and where wages are still being paid.

In short, the agricultural industry is collapsing. It was emphasized that the welfare of the agricultural industry workers is deteriorating. Even attempts to improve working conditions and to observe the fundamental rules of equipment safety have been discontinued. The basic means of production are worn out and there is no possibility of renovating them. All this comes at a time when the agricultural department and the oblast authorities are not taking any effective measures to normalize the situation. Every agricultural enterprise, it was emphasized, is struggling with its own troubles on its own. The loans that the government allocates for the support of the primary producers do not reach them.

It is apparently not profitable to produce anything under these conditions, especially livestock products. All agricultural enterprises, without exception, incurred losses last year in livestock production due to low prices for products and tardy payments. The producers were not paid for the products supplied. The cost of electricity and heating alone has completely impoverished enterprises in the last two and a half months. We cannot speak of production when agricultural enterprises' sales basically amount to approximately 100 million rubles a month, but they pay more for electricity.

The demands tabled at this meeting—and which are to be presented to the oblast administration and the government—call for the introduction of compensation payments for loans taken out from 1 January 1994 and a number of other types of compensation and subsidies. It was also demanded that the oblast administration take charge of all agricultural enterprise infrastructures, or pay compensation for expenditures for the upkeep of housing; set up a regional order for agricultural products for the current year; and provide a 50-percent prepayment of their cost in accordance with concluded agreements. It was also stipulated that extreme measures should be taken, such as demanding the resignation of the government, stern criticism of the president, and perhaps even strike action, if these demands are not met. One more proposal suggests that it might be more

effective if the entire Far East region made the demands of the government in a concerted way. [end recording]

Main Kamchatka Sea Route 'Totally Closed'

PM1304103994 Moscow ROSSIYSKAYA GAZETA in Russian 13 Apr 94 First Edition p 3

[Unattributed report: "What About Consideration, Gentlemen!"]

[Text] The Far Eastern Shipping Company [FESCO] has stopped sending freight to Kamchatka. As of the beginning of April the main sea route linking Kamchatka to the mainland is totally closed.

The cable that the peninsula received from the FESCO says that as of 1 April the sea port of Petropavlovsk-Kamchatskiy owes Maritime Kray port workers over 1.5 billion rubles [R], as a result of which the FESCO is forced to take "extreme, but legal measures," namely the total banning of freight deliveries to Kamchatka.

An cable in reply from Kamchatka Oblast Governor Vladimir Biryukov to Vladivostok describes this measure as "not entirely considerate toward the population of Kamchatka" since reciprocal nonpayments are "not enterprises' fault, but their problem." The port of Petropavlovsk is itself owed R5 billion by clients.

British Firm To Co-Develop Urals Gold Deposit

MK1204133094 Moscow SEGODNYA in Russian 12 Apr 94 p 1

[Unattributed ADS report: "Yuzhuralzoloto and the British RTZ Set Up a Joint Venture To Develop the Svetlinsk Gold Deposits"]

[Text] The Chelyabinsk-based production association Yuzhuralzoloto and the British gold-producing company RTZ have signed a contract in London on creating a joint venture to develop the Svetlinsk gold deposits, Nikolay Popov, chief of the material resources department at the oblast administration's economics committee, announced on 7 April. The deposits' estimated reserves are 70 tonnes of gold. The decision on their joint development under RTZ technology was made back at the end of 1991 during a visit to London by the head of the Chelyabinsk Oblast administration as part of a Russian Government delegation. According to Mr. Popov, the joint venture's planned charter fund will be 100 million rubles. RTZ's share will be not less than 50 percent. Under the contract, the development of the deposits will begin after RTZ has conducted a geological survey and prepared a feasibility report. Deductions from the state budget for the use of mineral resources will be 4 percent of the value of the gold produced. Of this sum, 75 percent will stay in Chelyabinsk Oblast.

Official Views Alaska Pollock Fishing Accord

OW1304082694 Magadan Radio Magadan in Russian 0700 GMT 5 Apr 94

[From the "Oblast News"]

[Text] Representatives from Russia, Japan, Poland, U.S., South Korea, and the PRC recently signed an agreement in the U.S. capital of Washington to regulate Alaska pollock fishing in the central part of the Bering Sea. Our correspondent Yuriy Kuzmenko asked Stanislav Mikhaylovich Korochkin, chief of Magadan Basin Okhotrybvod [Okhotsk Sea Fishing Administration] Department to comment on the event.

[Begin recording] [Kuzmenko] Stanislav Mikhaylovich, does the Washington agreement specifically provide solutions to problems affecting the central part of the Okhotsk Sea?

[Korochkin] After a great deal of preparatory work, three years of preparatory work and 10 meetings, six countries finally signed an agreement in Washington agreeing to regulate fishing in the central part of the Bering Sea. Subsequently, if governments of four countries ratify this agreement, it will acquire the power of a convention with all its ensuing consequences. A fishing moratorium has been placed on the central part of the Bering Sea until the end of 1994, after which, a committee will be formed to determine the Alaska pollock catch quotas based on research into stocks. The fishing quotas will be distributed at a conference of the member countries. Moreover, I want to emphasize that Russia and the United States will have 80 percent of the possible catch, 20 percent will be shared by the remaining countries. It can be said without exaggeration that this is a unique agreement. This is the first time that such an agreement has been signed concerning the northern Pacific Ocean and this, of course, gives certain hope that a similar solution can be found to the central Okhotsk Sea issue.

[Kuzmenko] So this means that there is hope that foreign fishermen will cease their shameful conduct in the Okhotsk Sea?

[Korochkin] Yes, there is certainly hope. However, the work on the Bering Sea agreement took three years because powerful pressure was exerted by the United States, since the Alaska pollock there belongs to the Aleutian state primarily because it is in the U.S. zone. However, the Alaska pollock in the Okhotsk Sea is (mostly) ours and that is why everything depends on the actions of our government and on how it can prepare and influence the position of other countries.

[Kuzmenko] Stanislav Mikhaylovich, what is the situation today in the central part of the Okhotsk Sea?

[Korochkin] Today, the usual situation prevails in the central part of the Okhotsk Sea. Our fleet is not working there since the introduction of the moratorium last year. However, Polish and Chinese vessels continue to work there, some 40-50 ships. However, South Korea has

withdrawn its fleet from the central part of the Okhotsk Sea. In exchange for the South Korean Government's agreement to withdraw the fleet, our government has allotted the South Korean fleet 32,500 tonnes of Alaska pollock in our economic zone in western Kamchatka, the northern Okhotsk Sea fishing area, and [words indistinct] Kamchatka region.

[Kuzmenko] And at the present time, Okhotrybvod vessels with inspectors on board are constantly patrolling the central part of the Okhotsk Sea.

[Korochkin] Yes, quite right. After the introduction of the moratorium, the Fishing Committee issued an order making Okhotrybvod responsible for the main coordinating work to protect the central part. Beginning in the summer of last year, one of our command patrol boats has constantly patrolled the area with inspectors on board and, money permitting, we regularly carry out aerial surveillance of the area. That is, we have the situation fully under control.

[Kuzmenko] Thank you. [end recording]

International Affairs

Fleet Council Calls for Release of Arrested Officers

LD1204162494 Moscow INTERFAX in English 1042 GMT 12 Apr 94

[Text] The military council of the Black Sea Fleet asked on 12 April the presidents of Ukraine and Russia to help bring about the immediate release of the arrested officers and "put an end to the practice of the use of force by the Ukrainian Defense Ministry, since they lead nowhere and can cause nothing but adequate counter measures on the part of the Black Sea Fleet personnel."

The Black Sea Fleet cannot be intimidated. It has always been loyal to the peoples of Russia and Ukraine, to the military duty and the oath of allegiance sworn only once.

A group of the Odessa special forces attempted to arrest in the port of Odessa on 9 April, the Black Sea Naval vessel "Cheleken" and prevent its planned movement to Sebastopol. A group of Black Sea Fleet reserve ships were blocked last weekend.

Three Black Sea Fleet officers were arrested in the early hours of 11 April in Odessa. Unofficial reports say that two of them are still under arrest. This vicious practice is a link in a chain of well-planned actions aimed at re-subordination of part of Black Sea Fleet facilities to the Ukrainian Defense Ministry. It is an out-of-bounds attempt to torpedo the Massandra agreements, says the appeal.

Moreover, the senseless policies by definite circles in the Ukrainian Defense Ministry and its naval force may cause unpredictable consequences up to armed clashes and casualties, says the document.

Navy Takes Over Black Sea Fleet Division

LD1204160694 Moscow POSTFACTUM in Russian 1307 GMT 12 Apr 94

[Text] [No dateline as received] According to the information of the Black Sea Fleet [BSF] press center, Lieutenant General Shkidchenko, commander of the Odessa Military District, arrived at the BSF mothball division stationed in Odessa on 12 April. He read to the unit's personnel a directive of the Ukrainian Defense Ministry on disbanding the division and setting up on its basis the 1st Division Brigade for protecting the Ukrainian Navy's waters. According to the BSF press center, in violation of the Russian-Ukrainian agreement on the BSF, the officers and warrant officers of the division were declared private individuals. After this, Ukrainian servicemen broke into office premises and seized the division's secret department. In the afternoon, a group of military constructors of the Ukrainian armed forces arrived at the unit in order to remove the traces of the break-in.

A POSTFACTUM correspondent has learned from sources close to the command of the Russian Navy that for the time being the Ukrainian special troops have released only Aleksandr Zelenko, captain second rank, chief of staff of the division. Oleg Feyoktistov, captain first rank, commander of the division, and Dmitriy Starikov, captain second rank, commander of the mainland base, are still in custody.

Further on Takeover

LD1204172694 Kiev UNIAN in Ukrainian 1313 GMT 12 Apr 94

[Text] Odessa— Lieutenant General Volodymyr Shkidnychenko, the Odessa military district commander, has met personnel of the 1st Ship Brigade for the Protection of Odessa Water Area and introduced the newly appointed commander, Captain Second Rank Volodymyr Marchenko. The military district commander's press secretary, Colonel Vyacheslav Voronkov, told UNIAN that the former commander of Ship Division 318, Captain First Rank Oleg Feoktistov was transferred on 11 April from the guest room of the Odessa military commander's office to the district hospital and was diagnosed as suffering from "acute alcoholic poisoning—chronic alcoholism." His deputies, Captains Second Rank Aleksandr Zelenko and Dmitriy Starikov, are staying on the territory of the former 318th Division of the Black Sea Fleet which has been transformed into the Ukrainian 1st Brigade for the Protection of Odessa Water Area, but have been relieved of their duties.

According to Vyacheslav Voronkov, not only the majority of the former Russian Black Sea Fleet division, but also six Navy officers and 14 junior officers have to date submitted a written statement of their wish to serve in the Ukrainian Navy.

Col. Voronkov said that the consequences of the "pirate-style dismantling" of the hydrographic navigation equipment worth at least \$10,000 and its transfer from Odessa to Sevastopol was a very serious matter. "The radar station RLS-5 Mars would provide for the nonstop operation of seven lighthouses in the western part of the Black Sea," he said. "Its absence can completely halt navigation from Odessa to the Zmeinyy island, as sailing safety would be at risk. In order to prevent this, the military district command has decided to assemble and operate the reserve units of the lost hydrographic navigation complex." Voronkov also said that the ship brigade for the protection of the water area is joined in a 24-hour watch by the marines of the Ukrainian control ship Slavutych which had arrived in Odessa to take part in the celebration of the 50th anniversary of the city's liberation from the Nazi occupiers.

Col. Voronkov denied Russian media allegations of "hostile actions" against Russian sailors and their families in Odessa, adding, however, that the Odessa military district prosecutor's office is contemplating criminal

proceedings against the former command of the 318th Conservation Division of the Black Sea Fleet previously deployed in Odessa.

Foreign Ministry Protests Over Odessa Situation

LD1204161194 Kiev UNIAN in Ukrainian 1313 GMT
12 Apr 94

[Excerpt] Kiev—Yuriy Serheyev, head of the Foreign Ministry information department, confirmed at a ministry briefing on 12th April that Ukraine's Foreign Ministry handed a note of protest to the Russian ambassador's adviser, Anatoliy Kovalyov, on 9 April in connection with the situation in Odessa port on which UNIAN reported before. The note says, in particular, that the hydrographic navigation equipment based on the territory of Ukraine remains Ukraine's property until the division of the Black Sea Fleet. The Ministry of Foreign Affairs regards the acts of the Russian side as unlawful and emphasizes that they are a violation of international law. Ukraine demands that Russia return the equipment and discipline the people involved in the action. "It can be qualified as overt terrorism," commented Yuriy Serheyev.

Today's Ukrainian-Russian relations are complicated also by the fact that, according to some media reports, Russia intends to deploy military bases in former USSR republics. "Such a mechanism of deploying military bases on foreign territory is indeed used around the world, but only given the willingness of the country where the bases would be deployed," Yuriy Serheyev stressed. [passage omitted]

Foreign Minister on Fate of Black Sea Fleet

LD1204161694 Kiev UNIAN in Ukrainian 1313 GMT
12 Apr 94

[Text] Kiev— Ukraine and Russia have resumed negotiations on the future of the Black Sea Fleet with the two delegations meeting at Ukraine's Ministry of Defense on 12 April. As UNIAN already reported, the Russian delegation is led by Yuriy Dubinin, the Russian president's ambassador-at-large and includes Feliks Gromov, the Russian Navy commander.

"We have long been offering to return to the Black Sea Fleet negotiations," Ukraine's Foreign Minister Anatoliy Zlenko told UNIAN, "and today these negotiations have been resumed. It is in our interests and those of the Russian side to find a solution to this issue in order to prevent the Fleet problem from setting off unexpected developments. Right now, everything happening around the Fleet is out of control, and the Odessa incident is an example of that. If we manage to find a solution soon to the Black Sea Fleet problem on the basis of mutual interest, we would decrease the probability of unforeseeable consequences in future. We need to find such solutions that will not harm the Black Sea Fleet and at

the same time satisfy the interested parties. These solutions must be based on the Massandra, Yalta, and Zavidovo accords.

Kiev Places Black Sea Fleet at Odessa Under Army

AU1204151094 Paris AFP in English 1459 GMT
12 Apr 94

[Text] Kiev, 12 April (AFP)—Ukraine has placed the Black Sea Fleet based at Odessa under the authority of the Ukrainian Army, Deputy Defence Minister Ivan Bijan was quoted by the INTERFAX-UKRAINE news agency as saying on Tuesday [12 April].

Talks to end a row between Russia and Ukraine over the fate of the fleet began earlier Tuesday in Kiev between a Russian delegation headed by Admiral Felix Gromov and Ukrainian Armed Forces chief of staff General Anatoly Lopata.

Kiev Dismantles 'Disputed' Odessa Black Sea Fleet

AU1204162594 Paris AFP in English 1604 GMT
12 Apr 94

[Text] Kiev, 12 April (AFP)—Ukraine said Tuesday [12 April] it had dismantled a disputed Black Sea fleet unit based at Odessa and placed its personnel under the control of its own armed forces in response to the wishes of fleet servicemen there.

The announcement was made by Ukrainian Deputy Defense Minister Ivan Bijan and reported by INTERFAX-UKRAINE news agency as Russian and Ukrainian delegations met in Ukraine to discuss the dispute.

"It's up to Russia to decide how to react to this resolution," the agency quoted General Anatoliy Lopata, chief of staff of the Ukrainian Army, as saying.

A spokesman for the Russian Navy told AFP that the Ukrainian move was made unilaterally but said it "means nothing" as the future of the fleet would have to be resolved through negotiations.

A Russian delegation led by Admiral Felix Gromov, commander of the Russian Navy, held talks with Ukrainian officials in Kiev Tuesday regarding the dispute, but the negotiations ended without agreement, INTERFAX reported.

The Ukrainian move came a day after Russia accused Ukrainian special forces of storming the base at Odessa, wounding servicemen and arrested three Russian naval officers.

Bijan said the three officers had been released following demands from the Russian Government.

The decision to place the Odessa division under Ukrainian control was taken because "a considerable number

of the men who serve in the division expressed their desire to serve in the Ukrainian Armed Forces," Bijan stated.

The Odessa unit is a submarine maintenance division consisting of only several dozen servicemen, a shipyard and basic communications facilities, informed sources said.

Details surrounding the attack on the base Sunday were still hazy, but naval officials suggested that it occurred when Russian sailors defied Ukrainian orders and left Odessa with a ship carrying expensive naval equipment.

Control over the fleet, based at the Crimean port of Sevastopol, has been a crucial point of contention between Russia and Ukraine, which officially exercise joint command over it.

The fleet was to have been divided into two equal parts under a 1992 accord but this has been delayed due to reluctance by the mainly Russian officer corps to be under Ukrainian command.

Ukraine has also said it would give up its half of the fleet in lieu of payment of its multi-billion dollar debt to Russia, but this plan also has so far not been implemented.

Bijan said Ukrainian servicemen were "breaking Ukrainian law" by serving in the fleet, but gave no further explanation.

Separately, Ukraine agreed Tuesday to pay back its huge debt for gas deliveries with cash payments and by offering to Russia part ownership of pipelines and other facilities on its territory, officials said here.

The head of Russia's giant Gazprom company, Rem Vyakhirev, said following talks here with a Ukrainian delegation that Kiev would pay 600 million dollars by June.

Ukrainian Deputy Premier Valentin Landik said that Kiev would privatise gas pipelines, port facilities in Odessa and other installations to allow Gazprom to buy stock in the newly-privatised companies.

Details of the plan however have yet to be hammered out and the two sides agreed to establish working groups to determine how the shared ownership would be implemented.

Russia and Ukraine have been at odds over payment for gas deliveries and the dispute forced Moscow drastically to cut the gas flow to Ukraine in March.

Gazprom has maintained that part ownership of the pipelines would allow it better to control deliveries to its European clients including France, Italy and Germany.

Russian, Ukrainian Delegations Discuss Black Sea Fleet

LD1204201794 Moscow ITAR-TASS in English 1726 GMT 12 Apr 94

[By UKRINFORM correspondent Yefim Shvartsman]

[Text] Kiev 12 April, (TASS)—A meeting of the Russian and Ukrainian delegations ended here today after discussing problems of the Black Sea Fleet, including the incident related to the transportation of hydrographic equipment on board of the Cheleken vessel from Odessa.

The meeting followed a telephone conversation of Ukrainian President Leonid Kravchuk and Russian Prime Minister Viktor Chernomyrdin as regards the incident.

The delegations were headed by Russian Special Envoy Yuriy Dubinin and Ukrainian Deputy Foreign Minister Boris Tarasyuk.

The closed-door meeting at the Ukrainian Defence Ministry took the whole day, Head of the Ukrainian Defence Ministry's Press Center Colonel Alexander Kluban told ITAR-TASS. According to his information, no documents have been signed and no comments on the meeting will be made.

The Russian delegation will leave for Moscow tonight.

'No More Incidents' Reported From Odessa

LD1204202394 Moscow ITAR-TASS in English 1945 GMT 12 Apr 94

[Report by ITAR-TASS correspondent Yefim Shvartsman]

[Text] Odessa 12 April, TASS—No more incidents have been reported from the 318th Division of the Black Sea Fleet to be made the 1st Brigade of the Ukrainian Navy under an order of Ukrainian Defence Minister General of the Army Vitaliy Radetsky.

Commander of the Odessa Military District Colonel-General Vladimir Shkidchenko visited the Division's First Brigade on Tuesday.

Four officers and 12 warrant officers of the 318th Black Sea Fleet division said they want to serve in the Ukrainian Navy, sources told ITAR-TASS. All in all, some 200 Division officers shall decide on their further service. The officers that make a negative decision will be offered a transfer to other Russian fleets.

When asked whether the officers' rights will be protected and their Odessa apartments will be left at their disposal, Shkidchenko said "none is planning deportation of the families, they will stay where they are if they want to".

The new commander—Captain 2nd Class Vladimir Marchenko—was introduced to the Brigade personnel.

Talks on Black Sea Fleet End in 'Failure'

LD1204211094 Kiev UNIAN in Ukrainian 2000 GMT 12 Apr 94

[Text] Kiev—UNIAN has learned that the 12 April Russian-Ukrainian negotiations on the future of the Black Sea Fleet ended in failure. The Russian side took a firm stand refusing to agree to an inventory of the Black Sea Fleet against its state in December 1991, which was insisted on by the Ukrainian delegation led by First Deputy Minister of Foreign Affairs Borys Tarasyuk. The sides failed to reach agreement on the issues discussed.

The other issue was an inquiry into the causes of the incident involving the Black Sea Fleet ship *Cheleken* on the night of 8 April in the Odessa port. A high-ranking official of Ukraine's Ministry of Defense who asked not to be identified said it was very likely that the hydrographic ship *Cheleken* carried a commercial cargo, which, had it been discovered, could have led to an undesirable argument. According to the same source, Black Sea Fleet ships have recently been performing unsupervised commercial trips to foreign countries in the Black and the Mediterranean seas.

After the end of the interstate negotiations, Ambassador-at-Large Yuriy Dubinin, who led the Russian delegation, and Russian Navy Commander Felix Gromov met the president of Ukraine. Asked by UNIAN to comment on the talks and the meeting with Leonid Kravchuk, Yuriy Dubinin said he and the president of Ukraine had agreed not to disclose their content in the media.

Russian Official Urges Caution Over Odessa

LD1204214094 Moscow INTERFAX in English 2044 GMT 12 Apr 94

[Report by diplomatic correspondents Igor Porshnev, Vitaliy Trubetskiy and others from the "Diplomatic Panorama" feature]

[Text] The incident in which Ukrainian special force took a group of Black Sea Fleet ships under control in Odessa need not be blown out of proportion. Russian Deputy Foreign Minister Sergei Krylov told Interfax Tuesday that neither Russia nor Ukraine wanted it.

In his view, things have to be sorted out. "We must find out who is guilty and of what and not allow the incident to grow in scale," Krylov said.

He said that he had been in Kiev Monday where he had met fairly well-informed Ukrainian Foreign Ministry and Defense Ministry officials. He said it was difficult to make out a clear picture of what had happened. In his words, some its aspects were incomprehensible and unpleasant and some people involved in it were reportedly drunk and that nobody had authorized them to do what they did.

Krylov thought that the incident happened between various branches of the Navy and had to be resolved by

them. He recalled that the fleet was under joint command of two presidents. The original cause of the conflict was that some navigational instruments were moved from one Ukrainian port to another. They were to remain the property of the same navy, Krylov believed. The whole story was probably the fault of sailors who have now to settle the conflict, he said.

Krylov thought that Ukraine was least of all interested in perpetuating the incident when its new parliament had not even started work. Such incidents would inflame the Ukrainian radicals and this would destabilize the situation, Krylov thought. He believed that there were numerous hotheads in Russia, too. In his view, there was no need to add to tensions.

He did not agree that the Russo-Ukrainian relations were increasingly deadlocked. He believed that both Russians and Ukrainians had a fairly clear idea of what they wanted from each other but their good intentions were not easy to materialize. Domestic factors had a significant role to play in this. Because Ukraine's new parliament had not even been convened, the executive branch was to some extent inactive, Krylov said.

Krylov thought that such incidents would inflame Ukrainian radicals and could further destabilize the situation.

He emphasized that Russia regarded the Crimea as part of Ukraine but did not shut the door on economic and cultural links with the Crimea.

Ministry Notes 'Regret' Over NATO Attack in Bosnia

WS1204153494 Kiev Ukrayinske Radio First Program Network in Ukrainian 1400 GMT 12 Apr 94

[Text] Elections in Ukraine were held in an atmosphere of democracy and law. Insignificant violations recorded in a number of constituencies did not influence the general situation during the elections. These conclusions of international observers were presented today at a briefing with Ukraine's Foreign Ministry.

The briefing also informed of the stance of Ukraine's Foreign Ministry regarding NATO air attacks on Serbian positions. Ukraine's Foreign Ministry expresses its regret that the developments in Bosnia and Herzegovina have led to the use of force. Political regulations has proved unsuccessful in this case. UN peacekeeping forces, including the Ukrainian battalion, have been put in jeopardy. The Ukrainian side understands the situation which developed in connection with this, but is displeased with the fact that necessary consultations were not held with Ukraine. Ukraine hopes for a peaceful resolution of the conflict in the Balkans through political means.

Foreign Ministry Laments Use of Force in Bosnia*LD1204152994 Moscow ITAR-TASS in English 1510 GMT 12 Apr 94*

[By UKRINFORM correspondent Yelena Kirichenko for TASS]

[Text] Kiev 12 April, TASS—The Ukrainian Foreign Ministry laments over the fact the Bosnian developments entailed the use of force, a briefing at the Ukrainian Foreign Ministry was told here today.

Political settlement brought no results, the U.N. peace-makers, including the Ukrainian battalion, were jeopardized. The Ukrainian side understands the situation but is dissatisfied with the fact no one consulted Ukraine before the air-strikes. Ukraine hopes for a peaceful political settlement of the Balkan conflict, said speakers at the briefing.

Commenting on the recent Ukrainian elections, the speakers said they were held in the atmosphere of democracy and lawfulness. Inconsiderable violations registered at some polling stations did not influence the general atmosphere, they noted referring to estimations of international observers.

Guards 'Showing Vigilance' on Borders With Russia, Belarus*LD1204153894 Moscow ITAR-TASS in English 1221 GMT 12 Apr 94*

[By UKRINFORM-TASS]

[Text] Kiev 12 April, TASS—UKRINFORM News Agency sent a report to ITAR-TASS about Ukrainian frontierguards showing vigilance on borders with Russia and Belarus. "Units of the State Committee for State Border Protection reliably guard Ukrainian borders," the report says.

The report notes that in the first months of the new year Ukrainian frontierguards in interaction with custom offices and the interior bodies prevented the smuggling out of Ukraine of various products surpassing five times last year's indexes. They prevented the smuggling of nearly 5 kg of gold, 15 kg of platinum and alloys, 12 kg of silver, 339 tonnes of rare earth metals and 81 articles of antiques. More than 90 per cent of this contraband was arrested on the stretches of the state borders with Belarus and Russia. Certain "transparency" of frontiers is taken advantage of by smugglers, UKRINFORM notes.

Skilfully manoeuvring mobile units and supported by aviation, frontierguards control 1,500 roads and paths leading to former union republics, the Ukrainian news agency notes. At the same time commandos specialising on contraband become more active. They cross the border, try to bribe frontierguards or put them to pressure.

First Shipment of Nuclear Fuel for Warheads Received*AU1304084994 Paris AFP in English 0807 GMT 13 Apr 94*

[Text] Kiev, 13 April (AFP)—Ukraine has received from Russia a first shipment of nuclear fuel from its dismantled warheads in line with a U.S.-Russian-Ukrainian agreement reached in January, Deputy Foreign Minister Boris Tarasyuk told AFP Wednesday [13 April].

Tarasyuk said the first convoy of fuel, which will be used to run power plants in the southern city of Zaporozhnye, arrived Monday.

Defence Minister Vitaliy Radetsky told a news conference during a visit to Germany earlier this week that Ukraine would stop dismantling the weapons because of Russia's failure to provide the fuel.

Tarasyuk, who returned from talks in Moscow, said he had received assurances from Russian officials that they would fulfill their obligations under the agreement signed by U.S. President Bill Clinton, Russian President Boris Yeltsin and Ukrainian President Leonid Kravchuk.

"Ukraine will not raise any obstacles in the implementation of this trilateral agreement if all parties involved fulfil their commitments," Tarasyuk said.

Ukraine was the last of the four nuclear states of the former Soviet Union to agree to dismantle its nuclear weapons under the agreement that provided Ukraine with at least one billion dollars in financial compensation and nuclear fuel shipments to run the country's power stations.

Crimean Parliament Speaker Says Meshkov's Decrees 'Illegal'*LD1204183394 Kiev UNIAN in Ukrainian 1313 GMT 12 Apr 94*

[Text] On 11 April, President Yuriy Meshkov of Crimea visited the Ministry of Internal Affairs of Crimea and announced a decree on releasing Oleksandr Plyuta from the official duties of minister of internal affairs of Crimea. By presidential decree, Valeriy Kuznetsov, the former commander of an army corps deployed in Crimea, has been appointed in his place. His present position is adviser to the president of Crimea on military matters. On the same day, Yuriy Meshkov visited the security service of the Republic of Crimea where he announced another decree: on releasing Ivan Kolomoyshev from his official duties as head of the security service of Crimea. Volodymyr Lepikhov, deputy head of the presidential administration and former head of the 32d Army Corps' special branch has been appointed in his place.

A meeting of the Supreme Council presidium of the Republic of Crimea was held on 12 April. The Central

Electoral Commission reported on the results of the elections. The presidium decided to form a working group consisting of 15 newly elected deputies in order to prepare the next session. In accordance with the law, the first session of the Supreme Council of Crimea will be held one month after the elections on 10 May.

Replying to a question from members of the presidium and deputies regarding the president's decrees announced on 11 April, Mykola Bahrov, chairman of the Crimean Supreme Council, said they had not been agreed with the presidium and he considers the Crimean president's actions to be illegal.

Gas Debts to Russia Promised Before July

LD1204174094 Moscow ITAR-TASS in English 1726 GMT 12 Apr 94

[Report by ITAR-TASS correspondent Igor Ivantsov]

[Text] Moscow 12 April, TASS—Ukraine will pay off its debt to Russia for gas supplies within the second quarter of the year. The Ukrainian delegation headed by Vice-Premier Valentin Liandik reaffirmed the intention here on Tuesday during its meeting with officials from Russian gas giant Gazprom.

At present the debt amounts to more than 600 million dollars. The bulk of it is for supplies in 1993. Liandik said it will be paid off in accordance with a scheme worked out in March 1994. 50 per cent of it will be paid off with finances and 50 per cent with equipment, mainly pipes and compressors.

During the negotiations, the parties signed an accord on storage of 10 billion cubic metres of Russian gas in two underground depots in Ukraine. It will allow to have enough gas reserves for export in winter. Another accord specified that Russian natural gas will be dried on the Ukrainian territory to meet export qualifications.

The parties agreed to set up working groups within next months. The groups will work out terms of privatising Ukraine's underground depots, sections of pipelines and seaport facilities.

The next meeting of the delegations is scheduled for 10 May in Kiev.

Sevastopol Mayor Gives News Conference on Aid From Russia

LD1204234394 Moscow INTERFAX in English 2101 GMT 12 Apr 94

[Text] Russian President Boris Yeltsin ordered including support of Sevastopol into the Russian national budget, the city council Chairman Viktor Semyonov said at a news conference on 12 April.

On a visit in Moscow on 5-10 April Semyonov handed Yeltsin an estimate of the city's needs in supporting the infrastructure and social sphere of the Black Sea Fleet.

According to the Sevastopol Statistical Agency, nearly 33,500 Black Sea Fleet officers and warrant officers resided in the city. The fleet supported 75,000 employees and their families. In effect, every fourth Sevastopol resident was directly dependent on the Black Sea Fleet.

Semyonov believed that it was Russia's duty to contribute to the city's infrastructure and social sphere.

According to Sevastopol economists, Russia must allot the city 1,072,912 Mn (million) karbovantsi, or about 52 Bn (billion) rubles.

Semyonov said that talks with Yuriy Dubinin, Russia's chief negotiator on the Black Sea Fleet, convinced him that Russia stood by the protocol of the Masmandra summit.

Semyonov believed that a Ukrainian-Russian commission on evaluating the assets of the Black Sea Fleet should be composed of civilian defense industry engineers because personal rivalries between military officers of the two countries made this task impossible.

Semyonov said that the Moscow City government would allocate Sevastopol 500 Mn rubles to finance the festivities marking the 50th anniversary of liberating the city from the Nazis.

National Affairs

Election Committee Chairman Reports on Voting Results

LD1204164194 Kiev UNLAR in Ukrainian 0650 GMT 12 Apr 94

[Text] Kiev, 11 Apr—"Our Supreme Council has a qualified majority as envisaged by the Constitution. It can work, pass laws, and introduce amendments to the constitution, said Ivan Yemets, chairman of the Central Electoral Committee, in an interview with the Novyry television and radio agency.

According to him, 337 deputies were elected in two rounds of elections of people's deputies to the Ukrainian parliament. Among the deputies, 120 were nominated by voters, 89 by parties, and 128 by workers' collectives. Most in the new parliament are members of the Communist Party (86); Rukh (Ukrainian People's Movement for Perestroika)—20, Peasants Party—18, and 14 were elected by the Socialist Party. Namely these four parties define the party share of the present Supreme Council.

As regards the people's deputies in the current parliament, 56 of the 188 members who ran in the elections were elected. As Ivan Yemets reported, repeat elections will be held in 112 districts among which the elections in 92 districts were valid but the voters did not cast the required number of votes in favor of the candidates. The elections were void in 20 districts where voters ignored their candidates and did not turn out at the polling stations in sufficient numbers. According to the law,

repeat elections should be held within one month, but according to Ivan Yemets, there are still problems which the Central Electoral Commission has to resolve.

Parliament Chairman Views Results

LD1304101094 Kiev UNIAR in Ukrainian 2210 GMT
12 Apr 94

[Quotation marks as received]

[Text] Kiev, 12 Apr—Ukrainian parliamentary chairman Ivan Plyushch made a speech on Ukrainian TV. Replying to questions, he noted in particular: "On the whole, I am satisfied with the elections to the new parliament but I expected somewhat better results... I think (and I am not the only one: the overwhelming majority of Ukrainian citizens are striving to create a democratic, law-based society) that it would have been impossible not to have held the elections. A competent and full-blooded Supreme Council was elected which, I think, will do everything to continue and improve drafted legislation and continue the legislative process."

Touching on the issue of political forces which are now emerging on the political arena, Ivan Plyushch stressed: "This is an ambiguous issue. Today, in my view, some journalists and politicians are attempting to draw hasty conclusions such as whether the 'left-wing' or the 'right-wing' gained victory. If we had a structured society, a 'left-wing' and 'right-wing', then one could draw such conclusions. There are now accusations that almost 100 'left-wing' deputies won seats in the new parliament. I personally know many of these people and am familiar with their elections programs. I would not be able to find a single person among them who would state that he is taking up his seat in order to fight against the process that is currently taking place. They have different views as regards the tactics... We cannot unequivocally accept the assertion that the democratic forces suffered defeat. In the new parliament there is a strong center. It is a constructive force that will be the base which will attract both the 'left-wing' and the 'right-wing'... Obviously, there will still be a radical 'right-wing' and 'left-wing,' but this situation also exists in civilized and democratic countries.

The speaker expressed his views on the defeat at the elections of famous politicians. "I think this is a perfectly normal phenomenon for a young democracy and for our society because when they were in parliament many of the deputies often spoke in the name of our people but had contacts with an insignificant part of the population. They would express the 'people's views' from such a small number of people but when they went to the masses it transpired that their views were not shared or there was a lack of trust that these deputies reflected these views and actions.

Second, I am not making a tragedy out of the fact that people expect changes. Objectively, people always relate this to hopes for a new democratic or political force and to its arrival in parliament..."

The chairman of the Supreme Council also touched on relations with Russia. He noted: "When I met representatives of the Duma after 27 March, I thought that the forces in Russia who understood that Ukraine is here to stay would begin to mature. The latest actions by the Ukrainian president and the Supreme Council give no grounds for an aggravation of relations between Ukraine and Russia and other countries. But recently, for some reason, just when the shoots of political stability appeared in Ukraine, when a positive tendency was observed in the economy, and when debts began to be paid back to Russia, political forces appeared in Russia which attempted to convince everybody that Russia could not live without Ukraine and Ukraine could not live without Russia.

Obviously, the 'Crimean card' is being played more and more although in a conversation with members of the Duma, I said that I could not imagine resolving the Crimean issue in favor of Ukraine or Russia. There are representatives of three nations there. Who is going to say that the Crimean Tatars do not have the right to their own autonomy? Who is going to say that Crimea's Russian-speaking population is guilty of something? What is going to happen with the Ukrainians who make up a third of the population? Crimea should be Crimean. It should be an autonomy within the composition of Ukraine. The borders have already been recognized. Treaties have been signed within the framework of the CSCE and the United Nations and interstate treaties have been concluded. A tripartite statement was signed between the presidents of the United States, Ukraine, and Russia on the recognition of borders.

I estimate that the population of Crimea is very cautious about all these processes and people there are now troubled by where President Meshkov's policies could lead to..."

The speaker noted that provided deputies support the proposal, the first session of parliament will take place between 10-15 May.

Ukrainian National Assembly Satisfied

LD1204151594 Kiev UNIAR in Ukrainian 0650 GMT
12 Apr 94

[Text] Kiev, 11 Apr—Dmytro Korchynskyy: "We positively assess the results of the elections. Three UNA [Ukrainian National Assembly] members were elected to Ukraine's Supreme Council: Yurko Tyma, chairman of the UNA Ternopol Oblast committee, Oleh Vitovych, commander of the Lvov UNSO Oblast command, and Yaroslav Ilyasevych, chief of staff of the Lvov UNSO branch. We consider that we could form a faction of 20 or 30 people in the parliament who will support the UNA platform.

We assess this as our victory despite the fact that enormous pressure was put on UNA-UNSO members and parliamentary candidates both by the power bodies and by representatives of the communist and democratic

blocs with the aim of not allowing them to take part in the elections. The pre-election campaign was conducted in an atmosphere of fierce fighting, slanders against UNA-UNSO, arrests, searches of its members and confiscation of documents. There were incidents of physical violence against parliamentary candidates. For example, a parliamentary candidate in Ternopol Oblast was seriously wounded in the head and several UNA-UNSO election observers were arrested.

Presidium Holds Session on Election Results, Other Issues

WS1204175494 Kiev Ukrayinske Radio First Program Network in Ukrainian 1400 GMT 12 Apr 94

[Text] Today, the Presidium of Ukraine's Supreme Council held a session chaired by Ivan Plyushch. Preliminary results of the elections of Ukraine's deputies were discussed. The information [about the election results] was provided by Ivan Yemets, head of the Central Electoral Commission. In particular, it was stated that, according to preliminary results, during the elections and in repeated voting, 337 people's deputies were elected, making the constitutional majority of people's deputies under which the new parliament is able to work. In those constituencies where people's deputies were not elected [words indistinct]. It was also noted that over 600 official observers from foreign states and international organizations were present during the elections and in repeated voting in Ukraine. In general, they viewed the elections positively as such which were free and democratic [words indistinct]. Along with this, the Central Electoral Commission has [words indistinct] many reports and complaints, which [words indistinct]. The Presidium resolved to hold a concluding plenary session of the Supreme Council [words indistinct] on 22 April. The Presidium approved a cost estimate for the preparation and holding of elections for the Ukrainian president as well as deputies and heads of rural, rayon, city, and oblast councils. A resolution was adopted on [words indistinct] of anniversary medal—the 50th anniversary of the victory of the Great Patriotic War 1941-45. To speed up work on the codification of Ukrainian legislation, drafts of the codes on legal society and legal expertise, as well as a draft law on the creation of the National Commission for Codification were selected for discussion. The session also discussed other issues [words indistinct].

Paramilitary Nationalists Win 3 Seats in Parliament

LD1204204194 Kiev UNIAN in Ukrainian 1730 GMT 12 Apr 94

[Text] Lvov—UNA-UNSO [Ukrainian National Assembly-Ukrainian National Self-Defense] held a news conference on 12 April at its oblast branch headquarters on the results of the election to the Supreme Council of Ukraine. The oblast UNA chairman, Andriy Shkil, told

journalists that UNA-UNSO fulfilled its minimum program in the election and now has three representatives in parliament. Two of them, Oleh Vitovych and Yaroslav Ilyasevych, were elected in Lvov oblast, the other, Yuriy Tyma, in Ternopol. "Our deputies will not join permanent alliances in the new parliament, but will cooperate and align with certain forces on certain decisions and appointments. We will cooperate with all forces, including Communists and Socialists, on crucial issues of nation-building," said Andriy Shkil.

A UNSO area commander, Ukraine People's Deputy Oleh Vitovych, said he believes that "one of the first issues to be raised in parliament is the division of powers. There will be disagreements regarding the need for a presidential election, the functions of the Supreme Council, its speaker, the president, and who will form the government. It is difficult to imagine what ideas or tactics can bring together people of different political views on these priority issues with respect to putting an end to the plundering of Ukraine, boosting production development, and, most important, preserving Ukraine's territorial integrity."

Predicting the course of the future political struggle, the news conference organizers agreed that the main threat to the young state is posed by the "red directors", with their sights firmly set on Moscow. Oleh Vitovych also warned against excessive excitement over the western standards. In his opinion, neither the Moscow, nor the Western model of societal development is acceptable to Ukraine. It should rely on its own resources and potential.

The news conference also noted that UNA-UNSO plans to be most active in the local elections. Andriy Shkil said that the UNA leadership will consult experts in the near future to determine its campaign strategy and tactics.

All of the journalists' questions were answered, except one: "Will UNA-UNSO deputies come to the parliament session in the camouflage military uniforms they normally wear, or will they perhaps wear something more civilian?" This question is yet to be discussed.

Second Round Supreme Council Election Results Reported

LD1304104594 Kiev UNIAN in Ukrainian 2035 GMT 12 Apr 94

[Text] Kiev, 12 Apr—According to the Election-94 press center, 339 deputies have been elected after two rounds of elections to the Supreme Council of Ukraine. The election revealed a high turnout: around 76 percent in the first round, and 70 percent in the second. The largest number of seats in parliament was won by the Communist Party of

Ukraine (75) and the People's Movement of Ukraine [Rukh] (26). Other parties and blocs won the following number of seats:

Socialist Party of Ukraine	12
Peasant Party of Ukraine	11
Ukrainian Republican Party	9
Inter-regional Bloc of Reforms	6
Congress of Ukrainian Nationalists	6
Ukrainian Officers Union	5
Democratic Party of Ukraine	4
Party of Labour	3
Party of Democratic Revival	3
Ukrainian National Assembly-Ukrainian	3
National Self-Defense	3
Civic Congress of Ukraine	2
Christian-Democratic Party of Ukraine	2
Ukrainian Conservative Republican Party	2
Social Democratic Party of Ukraine	2
Nation-wide Movement of Ukraine	1

Repeat Elections Scheduled for 10 Jul

LD1304104994 Kiev UNIAR in Ukrainian 2035 GMT 12 Apr 94

[Excerpts] Kiev, 12 Apr—A meeting of the Ukrainian Supreme Council's Presidium was held today. [passage omitted]

The presidium proposed that the Central Electoral Commission should schedule the repeat elections for 10 July 1994.

Crimean President Meshkov Appoints Key Figures

LD1204234494 Moscow INTERFAX in English 2101 GMT 12 Apr 94

[Text] Crimean President Yuriy Meshkov signed a number of decrees to appoint the key figures of his government. He appointed Major General Vladimir Lepikhov, the former chief of the staff of an army group stationed in the Crimea, as the chairman of the Crimean security service. The former head of the security service, Ivan Kolomyitsev, was relieved of his duties.

Meshkov also replaced former Interior Ministry Alexander Plyuta with Major General Valery Kuznetsov, the former commander of an army group stationed on the peninsula. Until recently, Kuznetsov was the Crimean president's advisor on military issues.

In addition, Meshkov signed a decree to appoint an economist from Moscow, Andrey Chernyavskiy, as the

acting economics minister. Lyudmila Zaitseva, another member of Yevgeny Saburov's team, was appointed as the acting finance minister.

The former deputy speaker of the Crimean parliament, Anatoliy Franchuk, was appointed the acting minister for management of state-owned enterprises. He is the only representative of the former Crimean government.

All the candidatures are subject to approval by the first session of the new Crimean Supreme Soviet.

A meeting of the parliamentary presidium in Simferopol Tuesday decided to launch the first session of the Crimean Supreme Soviet on 10 May 1994.

Justice Ministry Criticizes Crimean President

LD1204183694 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 12 Apr 94

[Text] Ukraine's Justice Ministry has published a statement on the latest developments in Crimea. The document stresses that Crimean President Yuriy Meshkov continues to take illegal actions. In particular, he issued decrees dismissing the head of the Crimean Security Service, General (Kolomyitsev) and Minister of Internal Affairs General Plyuta, and replaced them with others as acting officials.

Such actions by the president of the Republic of Crimea, the statement says, are not only a gross violation of Ukraine's legislation, international norms, and human rights, but also of the Constitution of the Republic of Crimea on which Yuriy Meshkov recently swore a presidential oath. The fundamental law of Crimea entitles the president only to nominate a candidate for the head of the security service before the autonomy's Supreme Council. The appointment, as well as dismissal of this official, is executed by the head of the Security Service of Ukraine.

As for the minister of internal affairs, this official can be appointed or dismissed by the president of the Republic of Crimea only with the consent of the Supreme Council of Crimea, stresses the statement.

Four Southern Regions Sign Resolution on Closer Cooperation

WS1204145894 Kiev KIEVSKIYE VEDOMOSTI in Russian 8 Apr 94 p 4

[Unattributed report: "Four Oblasts Decide To Overcome Crisis Together"]

[Text] In a move to boldly confront the economic crisis on their territory, oblast administration heads of the Donetsk-Dniester region decided to conduct an experiment; but not all of them. The project was initiated by residents of Lugansk. A joint resolution "On Additional Measures To Increase Mutual Supplies of Consumer Goods to Donetsk, Dniepropetrovsk, Zaporozhye, and Lugansk Oblasts" was signed. Given the payment crisis and lack of credits and funds for trade, the only viable option remaining, officials believe, is to conclude direct agreements among enterprises, which would quickly and efficiently fill store shelves with goods. The agreement

specified terms of trade and economic cooperation and established groups coordinating mutual efforts, ATN reported.

Former Parliament To Resign 22 Apr

LD1204194994 Kiev UNIAN in Ukrainian 1313 GMT 12 Apr 94

[Text] Kiev—The presidium of Ukraine's Supreme Council held a meeting on 12 April chaired by Ivan Plyushch. It heard a report on the preliminary results of elections to the new parliament of Ukraine. It confirmed the number of elected deputies, 337, which amounts to a constitutional majority and allows a session to begin. Results are being verified in one of the constituencies in Odessa oblast. The 337 new deputies include 56 members of the previous parliament.

The meeting also approved an estimate of expenses for the Ukrainian presidential election on 26 June 1994 submitted by the Central Electoral Commission, and an estimate of expenses and paper needs for the local council elections due on the same date.

The presidium approved the design of a jubilee medal, "50th anniversary of the victory in the Great Patriotic War 1941-45," and resolved to hold a parliamentary conference for the new parliament: "Experience, forms, and methods of parliamentary work", provisionally, in June.

The presidium resolved to hold the last session of Ukraine's Supreme Council of the previous convocation—at which it will resign—on 22 April 1994.

Government Moves To Standardize Gas Payments

WS1204123094 Kiev UKRINFORM in English 2105 GMT 11 Apr 94

[From the "Business News Weekly" feature No. 15, 4-10 Apr 94]

[Text] On 10 April natural gas supplies will be discontinued to those state-run enterprises, which have failed, by the deadline, to repay their debts for earlier imported natural gas supplies, under the most recent decision by the Ukrainian Government.

This last resort on the part of Ukrainian gas distributors under the State Committee for Oil and Gas (Ukrzazprom and Ukrzazgas) follows from the government's resolution No. 196 "On enterprises' settlement for natural gas."

The Cabinet's earlier resolutions (No. 91 of 4 February, and No. 789 of 22 September 1993), which demanded repayment of natural gas supplies by consumer enterprises and reduced gas supplies to those of them, which failed to timely pay for gas supplied to them, were virtually ignored.

It was only in March, that the agents under the State Committee for Oil and Gas took a series of actions to make the debtor-enterprises, primarily those under the Ministry of Industry and the Ministry of Engineering, MIC [Military-Industrial Complex] and Conversion, remarkable for their power-consuming production, start repayment of their accumulating debts, or, as a most promising alternative solution, switch to other sources of energy.

However, the State Committee for Oil and Gas can not discontinue gas supplies to many of its clients, be they most inveterate defaulters, without running the grave risk of breaking their technological processes, which may cause technical failures and accidents.

The latest resolution, No. 196, allows the State Committee for Oil and Gas to resort to complete suspension of gas delivery, if the debtors fail to settle by 10 April. The responsibility for likely consequences will lie entirely on the debtor-enterprises' managers.

In view of this qualitatively novel situation, the managers will have to rely on their enterprises' currency means, including those on accounts with foreign banks, however reluctant they may be to do this.

For several months by now, the government has been very unswervingly trying to make Ukrainian export-capable enterprises share the burden of payment for imported Russian fuels.

As Ukrzazprom and Ukrzazgas spokespersons maintain, the thus changed system of payments (prepayments thrice a month by consumer-enterprises of their contractual gas consignments) and final settling for 1993's supplies, will allow the State Committee for Oil and Gas to accumulate, within a relatively brief period, means, necessary for settling with the Russian natural gas suppliers. Moreover so that the government's earlier resolutions contain provisions demanding settling in hard currency by those enterprises, which have currency means on their bank accounts.

However, natural gas supply reductions by the government's decision do not extend to enterprises, which operate in the housing, communal services and public amenities sector of Ukraine's national economy, financed through the state budget. Instead, regional administrations have been instructed to tighten their control over rational gas consumption by these enterprises.

To speedily implement the mechanism for mutual settlement with Russia's gas suppliers, the Ukrainian Government has endorsed a scheme, which provides for the debt's repayment with Ukrainian commodities through the agency of Ukrzazubezhneftegaz (Ukraine's Foreign Oil and Gas), Ukraine's authorized go-between. In line with this scheme consumer-enterprises are supposed to remit their karbovanets sums to Ukrzazprom's bank accounts. The latter organisation then remits them to Ukrzazubezhneftegaz, which, in turn, purchases the

agreed assortment and amounts of Ukrainian commodities (the resolution endorsed this list of commodities including automobiles, trucks, equipment, foods) for karbovanets, thus pooling the necessary resources to settle with the Russian suppliers. Earlier, Ukgazprom had to buy Russian rubles or hard currency on its own, paying for the prices at the NBU-set [National Bank of Ukraine] official rates. In many instances, however, it could not raise the necessary sum, anyway.

The latest scheme is said to replicate, in many of its elements, its precursor, which proved to be inefficient (see UBN No. 2/1994). The two parties' authorized agents, Ukrheftesnab and Rosneftekomplekt, failed to reach the objective of materially and technically extinguishing the Ukrainian debt for Russian fuels.

The Ukrzarubezhneftegaz scheme is very much reminiscent of the one, which the Austro-Swiss Nordex Group applies. However, its efficiency in Ukrzarubezhneftegaz's interpretation and application is to be tested.

On 4 April the Cabinet of Ministers adopted yet another resolution of the same gas series, "On prices for natural gas supplied to enterprises under the Ministry of Industry and the Ministry of Engineering, MIC and Conversion in 1994."

The resolution specifies that settling for imported gas by enterprises of the said ministries is effected in Russian rubles or hard currency at price rates, which are equivalent to 65 US dollars per 1,000 cu. m [cubic meters]. The price includes haulage payable gas piping agencies, which is equivalent to 4.1 USD per 1,000 cu. m.

The above stated prices, however, are not applicable to enterprises, which manufacture fertilizers and pesticides in contracted amounts, intended for vernal agricultural purposes.

The government's previous resolution No. 23 of 3 January 1994 "On settling for natural gas by enterprises under the Ministry of Industry and the Ministry of Engineering, MIC and Conversion," specified, however, that these enterprises were to pay charges for gas piping across Ukraine's territory with Ukrainian karbovanets.

This item's abrogation may testify to the government's determination to make the said gas consumers follow the government-designed strategy, which provides for the Ukrainian enterprises paying not only for imported fuels, but also charges involved in fuel delivery to end-users.

The piping agencies under the State Committee for Oil and Gas are supposed to be safeguarded by the government's resolution against the consumers' non-timely payments for natural gas imported from Russia and supplied to them.

The January No. 23 resolution also specified that the two above listed ministries and the State Committee for Oil and Gas were to ensure conclusion by their subordinate enterprises of contracts for additional acquisition by

each ministry of 6 billion cu. m. of natural gas for the national economy's needs. The price to be paid for these amounts of natural gas was not specified earlier. However, as it is quite obvious now, industrial enterprises were none too eager to conclude such deals by late January, as instructed by the government.

So, the 4 April resolution by the Cabinet of Ministers, in addition to making it incumbent on the enterprises to conclude such agreements (without setting the deadline, though), contains a provision, which specifies the price to be paid, to wit, 52.4 USD per 1,000 cu. m. The State Committee for Oil and Gas, same as before, is to pay for this amount of natural gas to industrial enterprises with Ukrainian karbovanets at "the official currency (exchange) rate set by the National Bank of Ukraine, as of the date of payment."

The resolution does not mention any additional payments by enterprises, which did conclude agreements and which did pay the previous price. If any such enterprises are found their position will be most enviable, anyway.

Obviously, by hooks or by crooks, the government has thus been trying to make state-owned enterprises pay for the bulk of fuels, consumed by state-budgeted entities.

The state's financing is not enough to cover the fuel expenses of state-budgeted entities at least by 50 per cent by the State Committee for Oil and Gas, as its chairman, Mikhail Kovalko, noted in late 1993 (see UBN No. 5/1994).

Nonetheless, the Cabinet of Ministers instructed the State Committee for Oil and Gas to fully and continuously ensure fuel flows to the state-budgeted sector of Ukraine's national economy.

Probably, industrial enterprises will have to offset the financial gap through currency rate margins. However, the government's apparent determinedness on the issue does not mean that enterprises under the Ministry of Industry and Ministry of Engineering, MIC and Conversion will rush to pay for fuel imports.

The new settling system places the State Committee's gas piping organisations in a favorable position. If previously they had to willy-nilly credit industrial enterprises and were unable to settle for imported fuels, the situation has radically changed now.

According to utterances by Ukgaz's and Ukgazprom's senior officers, if Ukrainian domestic consumers repay all their fuel debts and start regular prepayment of fuel supplies (as specified, on a thrice a month basis). Ukraine's gas piping organisations will be able to redeem the major part of Ukraine's tremendous fuel debt to Russia, which is Ukraine's major fuel supplier, by 1994 with very good prospects for final settling by October and ability to purchase Russian gas in required amounts henceforth.

Ukraine's is reported to have succeeded in settling with Russia for gas supplies over 1994's first three months (about 100 million dollars).

However, 1993's remaining 700 million USD indebtedness is a major challenge.

Nuclear Power Output Fulfilled, 'Failures' Reported

WS1204121094 Kiev UKRINFORM in English 2105 GMT 11 Apr 94

[From the "Business News Weekly" feature No. 15, 4-10 Apr 94]

[Text] According to the State Committee for Nuclear Power Utilization, in March 1994, Ukraine's five NPP's [nuclear power plants] operated 14 power generating units (12.8 million kW aggregate capacity), which generated 7,247.4 MWe [expansion unknown], or 39.26 per

cent of Ukraine's total electricity generation. The plan was thus fulfilled by 104.9 per cent.

However, technical faults and failures resulted in 113.43 MWe undergenerated. 885.6 MWe were lost as a result of reducing capacities' output.

Over the month period, 15 incidents were registered, none of which, as experts maintain, involved radiation emissions in excess of acceptable rates.

The Zaporozhye NPP was the main culprit of reduced generation (a 673.6 MWe loss) with its 3d and 4th power generating units undergoing maintenance.

The Khmelnytsky NPP's 1st power generating unit was undergoing repair, too, same as the Rivne nuke's 1st unit (since February). The Chernobyl NPP's 3d power generating unit was stopped on 2 April for repair, which is scheduled to last until 16 April.

Belarus**Committee Deems NATO Air Attacks on Serbs 'Aggression'***WS1204200394 Minsk Radio Minsk Network in Belarusian 1715 GMT 12 Apr 94*

[Text] Today, the Belarusian Committee of Solidarity With Serbs and Montenegrins held a session at the Belarusian Academy of Sciences. In connection with NATO bombing attacks on Serbian positions, the Committee, which includes well-known activists of science and culture, estimate this as an act of aggression and protests against such actions. Committee members adopted an appropriate resolution.

Kebich, Chernomyrdin Sign Accord on Monetary Union*WS1204180894 Minsk Radio Minsk Network in Belarusian 1715 GMT 12 Apr 94*

[Text] Today Prime Minister Vyacheslav Kebich departed on a working visit to Moscow. The purpose of the prime minister's visit is to finally agree upon the documents on the unification of monetary systems of Belarus and Russia. The Belarusian delegation to the talks with Russian leadership includes Deputy Supreme Soviet Chairman Bambiza, First Deputy Prime Minister Myasnikovich, Deputy Prime Minister Kostsikaw, Deputy Prime Minister Zalamay, National Bank Chairman Bahdankevich, Finance Minister Yanchuk, Defense Minister Kazlowski, Shurkdz, head of the State Committee for Customs, and other officials.

Just now, we have received the following information from Moscow. Prime Ministers Viktor Chernomyrdin and Vyacheslav Kebich signed an agreement on the unification of monetary systems of Russia and Belarus. The essence of the achieved agreements is that the process of unification will take place in two stages. In the first stage, beginning from 1 May 1994, custom duties in trade will be abated, fees for transit of Russian cargoes on Belarusian territory will be abolished, and Russia will be given the right to no-charge lease of strategic facilities of the Belarusian Armed Forces. The second stage—the direct exchange of Belarusian cash currency for Russian rubles on a one-to-one exchange rate—should be preceded by the political expression of will of Belarusian people on account of the unification of [Belarusian] monetary system with Russia. The Russian-Belarusian intergovernmental talks have also resulted in the signing of seven bilateral documents, which are an indispensable part of the agreement on the unification of monetary systems.

BNF Nominates Paznyak, Promises 'Civilized' Campaign*WS1204111794 Minsk Radio Minsk Network in Belarusian 1000 GMT 12 Apr 94*

[Text] A session of the Council of the Belarusian Popular Front [BNF] was held in the conference hall of the Minsk Palace of Arts. The BNF delegates officially nominated their leader Zyanon Paznyak as a candidate in the upcoming presidential elections. In addition to this, a BNF statement was adopted. It states that the BNF will conduct a civilized election campaign, without discrediting and humiliating political opponents. The delegates have proposed that other Belarusian political parties and movements adopt corresponding statements.

Moldova**Snegur Discusses Ways To Secure Ilascu Release***AU1204151594 Chisinau BASAPRESS in English 1820 GMT 11 Apr 94*

[Text] Chisinau, ROMPRES, 11/4/1994—President Snegur has met this afternoon with members of the Parliamentary Commission for settling the problem of insuring the conditions for performing the deputy duties by Ilie Ilascu and releasing the other detainees of the so-called "Ilascu group," states a Presidential Press Service communique. Snegur said during the meeting that he met Saturday [9 April] with Igor Smirnov to discuss in particular the fate of the political detainees. According to the President, only unusual solutions could lead to a breakthrough in this problem. According to him the problem is in the center of the public attention, because "things went too far." Snegur mentioned that he will do everything possible to release the patriots. But he was also "confused with the fact that the weekly TARA [the country], Christian Democratic Popular Front of Moldova publication, often aggravated the situation by publishing articles that oppose the pursued objectives." President Snegur appraised that the problem could be settled "only by means of reasonable compromises and expressed his hope that all progressive forces will realize this fact," concluded the communique.

Sangheli Speaks Against Monetary Union*LD1304000694 Moscow INTERFAX in English 2101 GMT 12 Apr 94*

[Text] Moldovan Prime Minister Andrei Sangheli believes the creation of a single monetary system of the members of the CIS Economic Union is senseless. In an interview with INTERFAX in Kishinev [Chisinau] he called the ruble zone "a bluff" and categorically objected to Moldova's entry to it.

In his opinion, "today it is unrealistic to talk about the unification of monetary systems. On the contrary, it is necessary to accelerate the process of stabilization of national currencies in all former Soviet Republics."

Sangheli pointed out that the rate of the Moldovan national currency, the lei, thanks to financial support from the IMF and the World Bank, is sufficiently stable, and its fall from 3.85 to 4.12 lei to \$1 in the past five months was due to inflation. According to preliminary estimates, the level of inflation in March reached 20 percent.

Nation Seeking To Develop Danube Merchant Fleet

AU1204135894 Kiev HOLOS UKRAYINY in Ukrainian
8 Apr 94 p 3

[Report by Heorhiy Vorotnyuk from Odessa: "A New Competitor on the Danube?"]

[Text] According to the Moldovan mass media, the government of that country does everything possible to

promote the creation of its own merchant fleet on the Danube. For that purpose, not only are negotiations conducted with the CIS countries on the fair division of the former Union's fleet, but possibilities are also sought to purchase, build, and charter vessels. A shipping company—"Moldova Shipping Company"—was recently created there. It already has seven vessels at its disposal: three passenger ships, three freight vessels, and a barge. All of them have been chartered from Romanian ship owners and are, for the time being, kept in the Romanian port of Constanta. However, in the near future, our neighbors will start building a port on the Danube, where the Moldovan territory is adjacent to the river.

It looks like the Ukrainian Danube Shipping Company will have yet another competitor. At any rate, it will take care of the cargo from Moldova itself.

Kazakhstan

Nazarbayev Issues Decrees To Boost Manufacturing

LD1204174894 *Almaty Kazakh Radio Network in Kazakh* 1400 GMT 12 Apr 94

[Text] Today, President Nazarbayev met with members of the government to discuss the development of the alternative economy and social insurance for the low-income population.

Speaking of the need to accelerate privatization and to render all-round support for entrepreneurship, in order to boost the formation of a civilized market and overcome the economic crisis, the president stressed that this help, at the expense of the awaited foreign credits, will be targeted first at those nongovernmental structures that manufacture consumer goods, which are in great demand, and other products. In order to make this government support for private enterprise more regular and targeted, a relevant plan will be worked out in April with the participation of many representatives of Kazakhstani businesses who attended today's meeting. Nazarbayev signed a decree to form a state commission for support of entrepreneurship.

Discussing additional measures of social protection of the population, it was noted that those who really need such support will receive it, namely the disabled, war and labor veterans, families with many children, the lonely, and the sick. Taking account of the interests of all these low-income groups, during the meeting the head of state signed a decree increasing minimum wages and pensions up to 100 tenge as of 1 April. In this connection financial compensation instead of former allowances will be increased. War veterans and people of similar status will receive a further 330 tenge a month; war veterans—280; labor invalids of the 1st and 2d groups—230 and 220 tenge. The salaries of many categories of workers will also be increased.

Hosokawa Resignation Not To Affect Agreements

LD1204194694 *Almaty KAZTAG in Russian* 1400 GMT 12 Apr 94

[Summary] A news conference was given by President Nursultan Nazarbayev at the national press-center in Tokyo. He said he is satisfied with the results of his first official visit to Japan. He emphasized the importance of the joint Japan-Kazakhstan committee for cooperation that unites 32 leading Japanese companies. Missions of 16 Japanese companies have opened in Kazakhstan. President Nazarbayev expressed hope that their number will increase after his visit to Japan. Nazarbayev spoke about prospects for future cooperation with Japan. According to him, the most promising areas for cooperation are the oil and railway industries, mainly in the Asiatic region.

An unexpected resignation by Japanese Prime Minister Hosokawa will not affect the implementation of agreements and treaties that were signed between Kazakhstan and Japan, said Nazarbayev. The leader of Kazakhstan was not taken by surprise at Hosokawa's decision to resign. "Whenever you have a coalition with a great number of participants it is always accompanied with complications."

Results of Nazarbayev Tokyo Visit Assessed

PM1304083394 *Moscow TRUD in Russian* 12 Apr 94
Evening Edition p 6

[Report by Sergey Bunin: "Help the Reforms, Not the Politicians." Results of Kazakhstani President's Visit to Japan"]

[Text] Tokyo—The first \$120 million of Japanese Government aid and a "high assessment" of Kazakhstan's efforts in dismantling the nuclear arsenal, establishing market procedures, and democratizing society—that was the chief result of President Nursultan Nazarbayev's first visit to Japan.

"Russia without the territorial issue"—this is the frequently heard unofficial Japanese view of Kazakhstan, hinting at the country's immense natural resources and industrial potential. The two years that have elapsed since the establishment of Japanese-Kazakhstani diplomatic relations have been marked by a rapid blossoming of mutual contacts. Alma-Ata [Almaty] has become a Mecca for Japanese businessmen. The red carpet has been rolled out regularly for Kazakh visitors to Tokyo, where they have been given a very attentive hearing in the highest reaches of the business world. This is all boils down to the fact that between 20 and 30 percent of the world's entire stocks of many valuable types of fuel, chemical raw materials, and nonferrous and rare-earth metals, largely undeveloped, are on Kazakhstan territory.

But almost immediately there emerged some intractable problems, although bilateral trade has actually increased, reaching the as yet not very impressive figure of \$37 million. The first and biggest obstacle is that Kazakhstan has no independent access to the sea and transit communications are difficult. The second problem is the quality of deliveries. It is still well short of world standards. According to one Japanese businessman, who had already failed in that area of business, the future of trade with Kazakhstan remains illusory until these two problems are resolved, and this requires massive capital investment in the infrastructure and in the renovation of enterprises.

But President Nazarbayev was optimistic when he reported to journalists on the results of his three days of meetings and conversations in Tokyo. There will be Japanese investment. The Kazakhstani leader was able to secure in a very short time credits worth \$220 million from the Japanese export-import bank—they will finance numerous private joint projects on the territory

of Kazakhstan. The biggest of them is the construction of the West Kazakhstan oil refinery, costing \$1 billion. A consortium involving the Mitsubishi, Mitsui, and Toya corporations won the construction contract. Agreement was also reached on the free financing of geological surveys of gas deposits in the Aral Sea area by the Japanese national oil corporation. In the future, the president announced, we are talking about laying a gas pipeline to the shores of Japan. Finally, there was a promise of comprehensive financial assistance to develop railroad transport, including the laying of a "Friendship" track passing through China and terminating at the East China Sea.

As far as one could judge from the president's words and from pronouncements by high-ranking hosts, another contributory factor in Japan's very favorable attitude toward business cooperation is Kazakhstan's specific steps to shed the burden of nuclear weapons. Japan intends to allocate an immediate \$110 million for the dismantling of the nuclear arsenals that have built up over the past 40 years, following hard on the heels of the United States.

We have never made a secret of the fact that we came here to resolve the main questions, economic questions, Nazarbayev said at the final news conference, and we are very satisfied with the accords that have been reached, since they "pave the way ahead" and impart "powerful new impetus to our relations in all spheres."

Should Japan switch to helping the former republics of the USSR in view of Russia's recent great-power behavior toward its former dominions?—a question from the floor. "Russia must be helped, not for what individual politicians say, but in order to support the process of reforms and democratization. This is necessary not only for Russia but for us too, and for you, who are Russia's neighbors."

Presidential Decree on Selling State Shares

LD1204180194 Almaty Kazakh Radio Network in
Kazakh 1400 GMT 12 Apr 94

[Text] The president of the Republic of Kazakhstan has issued a decree on the use of money received by selling the state block of shares. The decree says in particular that money received from selling state blocks of shares of state joint-stock companies will be entered in their accounts and exclusively used for investment in their own production and technical upgrading. The text of the decree will be published in the press.

Exodus of Non-Kazakhs Seen as a 'Serious Blow'

PM1204131794 Moscow IZVESTIYA in Russian 12
Apr 94 p 3

[Article by Boris Lysenko: "Germans Pack Up and Leave Kazakhstan"]

[Text] Berlin—According to official figures, there are 700,000 Germans living in Kazakhstan. Many have already left—300,000 people did so in 1993 alone. Even more are planning to leave.

One-half of the 17-million population of the [world's] ninth largest state are members of ethnic minorities, and ethnic tension is on the rise.

There are varying reasons for potential conflict. Konstantin Erlikh, chairman of the Republic's "German Rebirth" Society, explains why people want to leave Kazakhstan. It is not only a case of economic necessity, but also of the "Kazakhization of the country," which does not promise ethnic minorities a political future. This is also compounded by the problem of citizenship.

In a country rich in fuel resources people are freezing and suffering for want of food. Anyone who is able to leave is doing so, heading for Germany in particular. The number of mixed-marriage families among the emigres has risen appreciably as Germans persuade their partners of a different nationality to try for happiness in the West.

With the adoption of the Constitution on 28 January 1992, Kazakh was officially declared the state language. Anyone who wants to remain in state service has to speak Kazakh and such people are very few and far between among the local Germans and Russians. The result is that the number of representatives of the ethnic minorities in leadership structures and the ministerial apparatus has dropped noticeably in a short period, representatives of "German Rebirth" say. According to them, anyone who does not have influential members of their ethnic minorities in very important positions will find it incredibly difficult to combat all-powerful officials in the corrupt morass in which God forbid you utter a "foreign" word.

By the end of 1995 every non-Kazakh will have to say whether he wants to become a Kazakhstani citizen or not. Anyone who decides to obtain a Kazakhstani passport must bear in mind that it will be even harder to leave the country then. Anyone who takes the reverse decision will find themselves without citizenship in Kazakhstan after 1995.

In line with legislation, Germany allows a maximum of 230,000 emigres from the former Soviet Union to enter its country each year. At the same time the federal government is trying to contain [soderzhat] immigration by providing Kazakhstan with economic aid. Since 1990, around 80 million German marks have vanished into Kazakhstan.

The ethnic minorities' only hope is President Nursultan Nazarbayev, who has officially assured them: "We do not want to divide our people into them and us." Kazakhstan will hardly be able to manage without Russian Germans or Russians, otherwise its development

will come to a standstill. The departure of 45,000 Russians in 1992 was a serious blow to Kazakhstan, particularly if you consider the fact that the bulk of the Russians were members of the intelligentsia. The Russian Germans are also very essential. They are diligent artisans and peasants.

However, aid is going no further than official declarations since in reality there are hardly any traces of it to be found. Why for instance is there still no Goethe Institute in Alma-Ata [Almaty] although the money has long since been provided? And why, lastly, are representatives of the ethnic minorities disappearing from important state positions if they are nonetheless essential, Germans wonder as they pack their bags?

Kyrgyzstan

Economic Cooperation Agreement Signed With Hungary

LD1204120694 Bishkek Kyrgyz Radio First Program Network in Russian 2300 GMT 11 Apr 94

[Text] According to the Kyrgyz Embassy in Moscow, an agreement was signed at the trade mission of Hungary to Russia between Hungary and Kyrgyzstan on trade and economic cooperation, as well as protocols on mutual delivery of goods in 1994-95. These intergovernmental documents on behalf of their governments were signed by Lajos Szegedy, deputy state secretary of the Hungarian Ministry of International Economic Affairs and Kyrgyz Ambassador to Russia Akmajit Nanayev. The heads of the two countries' delegations had a friendly conversation after having signed the documents. They highly assessed the agreement and shared information regarding the economic situation in their countries and exchanged opinions on prospects for extended trade and economic cooperation between Hungary and Kyrgyzstan. An accord was reached to exchange visits of trade and economic delegations. The time of these visits will be announced at a later date.

Akayev Rejects Accusation Agrarian Reform Unconstitutional

LD1304041494 Moscow INTERFAX in English 2048 GMT 12 Apr 94

[From the "Presidential Bulletin" feature No. 70 (559); Compiled by Nikolay Zhrebtsov, Andrey Petrovskiy, edited by Vladimir Shishlin]

[Text] President Askar Akayev has rejected accusations that his decree to push forward the agrarian reform was anticonstitutional.

He told parliament on Tuesday that the decree, allowing the free sale and purchase of land, among other things, meets all key provisions in the legislation on land, for instance limiting the term of private land tenure to 49 years.

Akayev denied "rumors being spread in the press and society" that the decree allows land to be sold to foreigners. It gives the right to buy land to citizens of Kyrgyzstan only, he said.

At a government meeting on Tuesday, he reaffirmed that more radical economic reforms were his government's main task.

He also urged stronger government at all levels. As one of the measures to achieve that purpose, the president, according to his spokesman Iman Rysaliyev, proposed strengthening akimat, the system of local government bodies headed by akims (governors).

Akayev denied that there is any connection between the falling production and the crisis of the political system in Kyrgyzstan. He said that, despite all the difficulties the economic reforms had brought about, some achievements had been made, primarily in monetary policy. Thus, last month the inflation rate went down to 5 percent and the prices stabilized.

Akayev said the main economic goal was to produce within Kyrgyzstan at least 90 percent of the raw materials the country's industry needs.

He also called for an end to political speculations about Kyrgyzstan's gold industry. He insisted that the government take urgent measures to ensure that foreign companies, notably Canadian and American, at last start developing the country's gold fields. IF Note: The Kyrgyz Government, on Akayev's instructions, recently approved a gold industry program spanning a period until the year 2010. The program, called The Gold of Kyrgyzstan, gives technical and economic information on more than 60 gold deposits, 16 of which are ready to be developed. Development of more than 60 percent of deposits is to be funded by investment made by joint ventures to be formed with companies both from former Soviet and other countries.

Tajikistan

Afghan Fighters Attack Russian Border Troops

LD1204162594 Moscow INTERFAX in English 1137 GMT 12 Apr 94

[Text] As a spokesman for the Russian border troops in Tajikistan reported to INTERFAX on Tuesday, an area close to the Outpost Eight of the Pyanj Border Unit in Tajikistan was mortared from Afghanistan at 1800 on Tuesday, April 11.

The enemy is reported to have been brat back by retaliatory fire. No Russian border guard was hurt.

Meanwhile, the Turg height near the Outpost 12 of the Moscow Border Unit came under sniper fire from Afghanistan. Russian border guards refrained from retaliation.

Government Delegation Holds Talks in Moscow

LD1204172894 Dushanbe Radio Tajikistan Network in Tajik 1200 GMT 12 Apr 94

[Excerpt] The working visit of a Tajikistan Government delegation headed by Abdulil Samadov, chairman of the Council of Ministers of the Republic, is proceeding in Moscow.

Abdulil Samadov held talks yesterday with Sergey Shoygu, chairman of the Committee for Emergencies of the Russian Federation. Questions of rendering assistance to Tajikistan were discussed. The sides agreed that a group of experts from Russia will arrive in Tajikistan in the near future to familiarize themselves with the situation and render assistance in resolving such problems as flooding and taking measures to prevent natural disasters. [passage omitted]

Agenda for Intra-Tajik Talks in Moscow Adopted

LD1304104894 Dushanbe Radio Tajikistan Network in Tajik 0500 GMT 13 Apr 94

[Text] As reported earlier, the intra-Tajik talks are continuing in Moscow. According to representatives of the Tajik Government delegation the agenda for the further talks on national reconciliation in Tajikistan was adopted yesterday.

The sides agreed that the following issues should be placed on the agenda on the basis of proposals by the Tajik Government delegation and the Tajik opposition:

1. Measures for settling the political situation in Tajikistan by political means, in particular the measures for putting an end to armed clashes and provocations on the Tajik-Afghan border and in other areas of the Republic of Tajikistan as well as the [words indistinct] activity of the mass media in Tajikistan with the purpose of all-round support to the process of national reconciliation.
2. Solving the problems of refugees.
3. Issues concerning the building of constitutional structures and strengthening the state structure of the Republic of Tajikistan.

The sides issued a joint statement. The talks are continuing.

Turkmenistan

New Presidential Press Secretary Appointed

LD1304091194

[Editorial Report] Ashgabat Radio Ashgabat Network in Russian at 0200 GMT on 13 April 1994 broadcasts a two-minute report about an edict by President Niyazov that has relieved Durdymukhammet Gurbanov of his post as presidential press secretary and appointed him chief editor of the journal YASHLYK. Kakamyrat Balyyev has been appointed the presidential press secretary

of Turkmenistan. He will also fulfill the duties of deputy chairman of the Turkmenistan National Tele-Radio Company.

Uzbekistan

Karimov Discusses Economic Situation

LD1204231994 Moscow INTERFAX in English 2048 GMT 12 Apr 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zhrebtsov, Andrey Petrovskiy; edited by Vladimir Shishlin]

[Text] In a recent exclusive interview with INTERFAX President Islam Karimov described as the biggest problem of his country the forced transition to a local currency. He claimed that Uzbekistan resisted the withdrawal from the ruble zone for a long time. He said the worst consequence of the change was the spiritual separation of two million ethnic Russians from their native land. He favored a discussion by interested members of the CIS of the formation of a common monetary system with Russia.

Meanwhile, observers say the president is taking additional steps to stabilize the local currency. Karimov signed a government resolution stopping all transactions with Russian banknotes as of 15 April.

The purpose of the decision is to strengthen the circulation of sum coupons and increase their purchasing power. The document permitted all legal entities (public and private) as well as individuals to sell goods and offer services for hard currency on condition that all transactions are registered.

In keeping with the decision after 15 April the exchange rates of the sum will be determined through regular trading at the Uzbek Currency Exchange. So far exchange rates have been set by the Central Bank of Uzbekistan on the basis of the data supplied by the Central Bank of Russia.

The document provides for the formation of a network of exchange outlets for the public and allows private individuals to exchange currencies provided they have a licence from the Central Bank.

Under the decision after 15 April all companies must sell to the Central Bank 30 percent of their foreign currency returns out of which 10 percent will be purchased by the Ministry of Finance for the Uzbek currency reserve and 5 percent by the government of Karakalpakia (an autonomous republic of Uzbekistan) and regional administrations for the formation of local currency reserves.

After 1 May in keeping with the decision settlements with companies in other former Soviet republics will be conducted only on clearing basis or in hard currency.

IF Note: At the moment in Tashkent the Russian ruble sells for 10-11 sums and \$1 for 20,000-22,000 sums.

Armenia**Azerbaijani Air Raids Detailed***NC1204132994 Yerevan SNARK in English 0720 GMT 12 Apr 94*

[Excerpt] Yerevan, April 12 (SNARK)—Last night two Azerbaijani military planes dropped bombs on the large industrial centers Goris and Kapan in the south of Armenia. As SNARK was informed in the Defence Ministry today, there is some destruction in the suburbs of Kapan. According to the preliminary data, there are no fatalities.

The Armenian Air-Defence Service tried to prevent the air-raid, but the Azerbaijani planes, flying at low altitude, managed to get away.

Over the last 48 hours this was already the third attack of the Azerbaijani Army at the cities of Nagorno-Karabakh and Armenia, located far from the confrontation line.

Yesterday Levon Zurabyan acting in the capacity of the Armenian President's press-secretary in his interview to SNARK qualified those actions as terrorist acts against the peaceful population, caused by Azerbaijan's disability to succeed at the battle field. [passage omitted]

Further Details, Fighting Updated*LD1204150394 Moscow INTERFAX in English 1300 GMT 12 Apr 94*

[Text] Two Azeri aircrafts after violating Armenian air space late on Monday dropped bombs on the border towns of Goris and Kapan, a Defence Ministry spokesman in Yerevan told Interfax. Reports speak of destruction but no casualties, he said.

Armenian defences were unable to thwart the attack because the two planes flew at a low altitude making it difficult to detect them.

Two days ago, Azerbaijan carried out a bombing raid on several areas in Nagorno-Karabakh and its administrative center Stepanakert; one woman and two children were killed and nine other people injured, most of them women and children. However, Baku denies this.

The Armenian villages of Movses and Aigepar in the Taus region and Armenian positions outside Aigevit and Vazashen villages came under intensive artillery fire from Azeri troops in the past twenty-four hours, the press office of the Armenian Defence Ministry said. There were civilian casualties, it informed.

It also said Armenian forces foiled an Azeri advance outside the Aigevit village in the Idjevan Region on Monday. There were casualties on both sides.

For its part, the Azeri Defence Ministry reports that Karabakh forces which received reinforcements from Armenia had tried to launch an offensive in the northern part of the frontline outside the village of Gyulistan in

the Geranboi (formerly Shaumian) region. Baku says that about 2,000 Karabakh troops and dozens of tanks were involved. Azeri government troops have so far succeeded in containing the Armenian advance, it said.

In a separate development, Armenian forces launched an offensive on the eastern Azeri villages of Talysh, Madagiz and Levonarkh in the Ter-Ter Region. Several people were killed or injured after Armenian troops mounted rocket fire on the administrative center Ter-Ter whose population is 20,000.

More fighting is reported elsewhere on the front including the Agdam Region. Several population centers in the Taus Region came under cross border rocket and artillery fire from Armenia leading to civilian casualties, the Azeri Defence Ministry said.

Further Details on Incursion*NC1204190294 Yerevan Armenia's Radio First Program Network in Armenian 1300 GMT 12 Apr 94*

[Text] According to Defense Ministry press service reports, the Azerbaijani Army resumed its combat operations along the northeastern border of Armenia last night. The enemy opened tank, howitzer, and machine gun fire from his military base in (Garadash) in Tauskiy Rayon on Movses and Aygepar and the defensive positions around these villages in Tavushkiy Rayon between 1830-2030. There are injured among the peaceful population.

The Azerbaijani armed formations at Dhazafarli military base in Kazakhskiy Rayon opened intensive artillery fire on Aygehovit and Vazashen in Idzhevanskiy Rayon at around 1900. Half an hour later, a large enemy infantry formation, supported by tanks, tried to break through the Armenian defensive lines and invade Aygehovit. Following fierce battles, the Armenia's border guards managed to halt and then repulse the enemy's surprise tank attack. There are losses on both sides, and material destruction in Aygehovit and Vazashen.

Two Azerbaijani bombers flying low over Karabakh airspace intruded on the Armenian Republic's airspace at around 2228. Azerbaijani planes dropped two bombs on Goris and another two on Kapan. They flew off over southern part of Karabakh. The Armenian air-defense forces could not retaliate effectively because the planes were flying low.

We have not yet received any information on today's situation on borders and in Nagorno-Karabakh.

Assembly Urges Condemnation of Raids*LD1204172294 Moscow INTERFAX in English 1402 GMT 12 Apr 94*

[Text] Armenia's parliament has called for international condemnation of what it has described as military action against civilians and for international measures to prevent such action in the future.

In a statement published in Yerevan on Monday evening, following an Azerbaijani air raid on the Nagorno-Karabakh capital Stepanakert which killed three and injured nine people, the Armenian legislature appealed to the United Nations, the Conference on Security and Cooperation in Europe, the European Parliament, the CIS Interparliamentary Assembly, and the parliaments of all countries to "most adamantly" condemn Azerbaijan's military action against civilians and "take urgent measures, based on international law, to prevent future air raids on populated areas."

"By such barbarous acts, Azerbaijan is again proving that it has not abandoned its official policy of terrorism against the people of Nagorno-Karabakh, the aim of which is to annihilate the civilian population," the parliament said.

Official Condemnation of Bombing

NC1204202194 Yerevan Radio Yerevan in Azeri 1330
GMT 12 Apr 94

["Text" of Armenian Government statement on 9 April]

[Text] Azerbaijan's military aircraft infiltrated the airspace of the Nagorno-Karabakh Republic [NKR] and bombed several residential areas, including Stepanakert, on 10 April. The bombed areas are far away from the front line. The densely populated market-place area in Stepanakert was selected as a target. Significant damage was caused and many people, mainly women and children, were killed.

Regrettably, the international community has failed to properly assess the policy of bombarding peaceful residential areas, which has been maintained since 1992. That has created an opportunity for Azerbaijan to continue to bomb residential areas without being penalized for such operations.

Azerbaijan's savage operations have reconfirmed that the republic has not relinquished its policy of state terrorism against NKR's people. The objective of that policy is to kill peaceful residents. However, that is a gross violation of international law and the Geneva Convention. Obviously, it is aimed at further expanding the confrontation and undermining the recent initiatives that have been made to restore peace in the region.

The Armenian Supreme Council declares that Azerbaijan will be held fully responsible for similar activities in the future. It also appeals to the UN secretary general, the CSCE, the CIS, the European Parliament, and the parliaments of individual countries to consider the military operations against peaceful people, take practical and urgent measures as called for by international law, prevent the bombing of residential areas, and obstruct Azerbaijan's unacceptable activities.

Terrorist activity took place in Georgia's Marneuli Rayon on the night between 8 and 9 April. One of the passenger cars of the train on the Tbilisi-Yerevan track

was destroyed by an explosion. Three passengers were killed and 15 others were wounded in the incident. Five passenger cars were completely destroyed by the fire caused by the explosion. The engineering installations and passenger cars on the Tbilisi-Yerevan track have been damaged by explosions 20 times and the natural-gas pipeline in the region has been sabotaged 12 times since the beginning of 1993. The fact that acts of sabotage against Armenia have taken place in an area populated by Azerbaijani people in Georgia leaves no doubt about who is responsible for terrorist activities. Obviously, Azerbaijan, in contravention of all international norms, has selected Georgia's territory as the venue of the operations it wishes to carry out to realize its objectives. That is an indication of the effort it has been making to involve Armenia and Georgia in the confrontation.

There must be an end to that kind of international terrorism, which has assumed violent proportions. The Armenian Government states that all necessary measures will be taken to guarantee the security of Armenia's citizens and safeguard Armenia's interests. Azerbaijan's leaders will be fully responsible for the worsening of the situation in the future. The Armenian Government hopes that Georgia's leaders will take practical measures to guarantee security of transportation between Georgia and Armenia.

Dated: Yerevan City, 9 April 1994.

Air Force Again Bombs Stepanakert

LD1304101594 Moscow 2x2 Television in Russian 0930
GMT 13 Apr 94

[Text] Azerbaijani air force planes again bombed residential areas in Stepanakert, capital of Nagorno-Karabakh, at 0630 today. According to preliminary figures, an INTERFAX correspondent reports, five people were killed and more than ten wounded. The dead and injured consist mainly of women and children. Several buildings were destroyed.

In connection with this the Nagorno-Karabakh Republic's government accused Azerbaijan of continuing the war against the civilian population of Karabakh. According to a statement issued today, Azerbaijani planes have twice in the last three days bombed Stepanakert, killing women and children who are tens of kilometers away from the area of military actions. The ruling circles of Azerbaijan have again demonstrated to the whole world the true worth of their false peace-loving assurances, the statement stresses.

Bagratyan Discusses Reopening Nuclear Power Plant

LD1204231594 Moscow INTERFAX in English 2048
GMT 12 Apr 94

[From the "Presidential Bulletin" feature: Compiled by Nikolay Zherzhetsov, Andrey Petrowskiy; Edited by Vladimir Shushlin]

[Text] Prime Minister Grant Bagratyan told Director of the IMF's European Department Muhammad Shatman that the government's decision to re-start the Armenian nuclear power plant was due to the absence of alternative ways of softening the energy crisis.

To quote Bagratyan, Armenia counted on international financial organizations' aid in putting the nuclear power plant back into operation.

Shatman said that the IMF's executive council did not object to helping Armenia and that this position had been confirmed during the executive committee's Washington conference involving 15 donor-states. He said those countries welcomed Armenia's policy of economic reforms.

He pointed out, however, that aid to Armenia largely depended on the situation in the region. "The donor-states are expecting meaningful progress in the settlement of the Karabakh conflict, he said. IF Note: Local experts note that until recently the IMF abstained from extending credits to Armenia fearing lest it might be used for military purposes.

Opposition Condemn Reserve Call-up Methods

NC1204131894 Yerevan SNARK in English 0720 GMT 12 Apr 94

[Text] Yerevan, April 12 (SNARK)—Representatives of many opposition parties have spoken in the Parliament condemning the unlawful methods that were used during the "reservists' call-up for three-month assembly".

The member of the Parliamentary Commission on Human Rights Agasi Arshakyan reported that many meetings took place in Armenia. The participants of those meetings adopted a resolution condemning the unacceptable round-ups in public places, violence and arbitrariness applied during the military assembly.

The parents of those taken to the assembly quite often have no idea about the further fate and location of their children, declared the Head of the National Library of Armenia, Deputy Rafayel Ishkhanyan. He noted that such methods, inadmissible even during World War 2, were used only in Osmanian [Ottoman] Empire.

Ishkhanyan warned that such actions of law enforcement bodies may have negative consequences—decomposition of the Army, demoralization of the young generation, cessation of humanitarian aid, because of the violations of human rights in Armenia.

Azerbaijan

Five Die in Explosion on Passenger Train

NC1304132094 Baku AZERTAC in English 1233 GMT 13 Apr 94

[Text] Baku, April 13 (AZERTAC)—Last night five people died and 2 were injured as a result of the

explosion on the Azerbaijan railways passenger train No. 192 from Moscow to Baku. According to the general department of the Republic's transport police and officers belonging to the National Security Service who are investigating the case on the spot, the explosion occurred in the 1st carriage at 1.20 a.m. as the train was at the "Dagestanskiye Oghni" station near Derbent. Three of the dead were identified as residents of Azerbaijan.

Further Details of Aliyev's Visit to Border

NC1204131694 Baku Azerbaijan Radio Televiziyasi Television Network in Azeri 1600 GMT 11 Apr 94

[Text] President Geydar Aliyev has concluded his visit to the country's southwest. Our correspondent Ramiz Meshedihesenli reports:

[Begin Meshedihesenli recording] On the second day of the visit to the southeast region, on 10 April, Azerbaijani President Geydar Aliyev—who was accompanied on his tour by Defense Minister Mamedrafi Mamedov; state advisers Gabil Guseynli and Arif Rehimzade; AZERTAC director Vagif Rustemov; the chairman of the State Television and Radio Broadcasting Company, Babek Guseynoglu; and other officials—left for another hot spot on the front.

The land was under the treacherous enemy's occupation until the end of last year. After the call made by Azerbaijani President Geydar Aliyev, the brave youths threw themselves into the battle and forced the enemy to withdraw some considerable distance. Even now, they are waging a life and death battle to liberate our land.

The supreme commander familiarized himself closely with the troops' ability to use military hardware, their combat readiness, and defensive ability. The Azerbaijani Army's fighters in this sector assured the Republic's president that they will not withdraw one step in the face of the enemy and that now that they have gained experience they have the power and ability to oust the Armenians from the occupied land.

Aliyev was interested in our troops' social conditions, concerns, and problems. He awarded the rank of captain to a promoted soldier. With fighting taking place just a few kilometers away, the supreme commander gave advice to the troops.

Later, Aliyev and his entourage left for the fronts in Agdamskiy, Agdzhabedinskiy, and Khodzhabend Rayons. Just a month ago, the enemy was forced to withdraw some considerable distance thanks to the talent of the brave soldiers. Now our troops here can open fire and silence the enemy's firing positions. Here too, Supreme Commander Geydar Aliyev familiarized himself with the combat readiness of our troops. He said he was proud of these fighters who are ready to sacrifice their lives to clear our land of the Armenians. He donated watches to soldiers who killed many enemy soldiers.

Before leaving the hot spot, officers and soldiers asked that they be pictured with Supreme Commander Geydar Aliyev.

On the afternoon of 10 April, President Aliyev arrived in Bardinskiy Rayon. The people received our Republic's president with roses and flowers and applause. The representatives of the community gathered in front of the local administrative building and noted that we could extricate ourselves from the current critical situation and war conditions only with Aliyev's guidance.

In his sincere talks with the rayon's population and refugees' representatives, the president issued concrete instructions to government officials, ministers, and regional leaders on the solution of the problems raised.

Aliyev also addressed the Barda population.

Later a meeting was held with the participation of the leaders of the nearby rayons, law enforcement organs, and fighters. It was reiterated that the country cannot be extricated from its grave situation alone and that everyone must unite and fight the enemy on the front.

The speakers touched upon the difficulties being faced in connection with the military call-up and exchanged views on removing the obstacles before [words indistinct] workers. Instructions were issued to the rayon leaders on the refugees' problems. Azerbaijani President Aliyev summed up the meeting [end recording].

Aliyev Postpones Visit to Georgia

LD1304001294 Moscow INTERFAX in English 2101 GMT 12 Apr 94

[Text] Azerbaijani President Geydar Aliyev has put off his visit to Tbilisi scheduled for April 12.

An informed source close to the Azerbaijani president told Interfax that the postponement was due to the "sudden large-scale Armenian offensive in the zone of the Karabakh conflict."

Georgia

Talks Begin on UN Overseeing Cease-Fire

AU1204173394 Paris AFP in English 1719 GMT 12 Apr 94

[Text] Geneva, April 12 (AFP)—Multi-party talks began here Tuesday [12 April] on finalising the mandate for UN peacekeepers to oversee a ceasefire between Georgia and its breakaway republic of Abkhazia, a UN spokesman said.

The UN-brokered talks, attended by delegations from Georgia, Abkhazia and Russia, were convened to fine-tune the conditions under which the UN force will be deployed in the region following a ceasefire accord signed April 4.

The talks are expected to last two days, diplomats said.

The Russian delegation, which comprises high-ranking diplomatic and military officials and is led by First Deputy Defence Minister Georgi Kondratyev, will try to persuade the UN Security Council to accord peacekeeping status to Russian troops in and around the separatist region, diplomats said.

Granting the request would make the Russian force, which has been stationed in Georgia as a buffer between the two forces, eligible for UN funding.

The principle of a multi-national peacekeeping force was accepted by Georgian and Abkhazian authorities on April 4.

The UN's special representative to the negotiations, Edouard Brunner, said Tuesday that it would be "premature" to release any information on their progress.

The Security Council said Friday that the establishment of a peacekeeping force inside Abkhazia was conditional on the current talks and others resuming April 19 on the future constitutional status of Abkhazia making "substantial progress towards a political settlement."

Abkhazia declared its sovereignty in July 1992. But Georgia has refused to countenance changes to its borders and, with the backing of the international community, has proposed that the separatist republic be granted a "broad autonomy" while remaining tied to Tbilisi.

The current round of talks are due to end at the end of April.

Earlier rounds of peace talks took place in October, January and February.

Separatists routed Georgian troops from the Abkhazian capital Sukhumi in September after 13 months of fighting which left more than 3,000 dead.

The fate of some 250,000 Georgian refugees who fled Abkhazia after Sukhumi fell is the subject of separate negotiations currently taking place in the Russian Black Sea port of Sochi.

Geneva Delegations Disagree on Troop Deployment

LD1304090894 Moscow ITAR-TASS in English 0821 GMT 13 Apr 94

[By ITAR-TASS correspondent Konstantin Pribytkov]

[Text] Geneva April 13 TASS—Georgia and Abkhazia disagree on the conflict areas where U.N. peace-making troops should be deployed.

ITAR-TASS has learned about these differences from participants of the Tuesday meeting in Geneva, attended by the Georgian and Abkhazian delegations, as well as representatives from the United Nations and Russia.

The Georgian delegation moved to deploy U.N. peace-making units and inspectors along the entire parameter of the conflict zone in Abkhazia, in particular, along the Psou river (the border with Russia) and the Inguri river (the border with Georgia), on mountain passes, along the littoral and at the airports of Sukhumi and Bombara. It believes the "blue helmets" should prevent the resumption of hostilities and should put an end to the delivery of weapons and manpower to the conflict zone.

The Abkhazian side believes that U.N. peace-makers should be posted only along the Inguri river, which now separates the two conflicting sides, and that the "blue helmets" should ensure the disengagement of the conflicting sides, should prevent the infiltration of their troops into the 6-10-kilometre wide disengagement corridor.

The discussion will be continued in the course of further consultations on Wednesday and possibly on Thursday. The U.N. experts are expected to outline their views during these consultations, which will not adopt any decisions. However, the exchange of views will help Eduard Brunner, the U.N. secretary-general's special envoy, who is presiding over the meeting, and then the secretary-general himself to formulate the U.N. Security Council's proposals. The council is to decide whether it is worth sending U.N. peace-makers to the region and how many men should be dispatched there if a corresponding decision is adopted.

Further Details of Disagreement

LD1304113494 Moscow INTERFAX in English 1007 GMT 13 Apr 94

[Text] At the Georgian-Abkhazian talks in Geneva on April 12 on the deployment of a peacekeeping force in Abkhazia the two sides failed to agree on sites for the stationing of such forces.

Chief negotiator Djaba Ioseliani told the Georgian radio on Wednesday that the Georgian plan envisages the deployment in the zone of conflict of up to 2,500 UN servicemen. They are to take under control the Russian-Abkhazian border along the Psou River, all mountain passes connecting Abkhazia with the North Caucasus. Peacekeepers are also to be deployed in Sukhumi, Gudauta, Leselidze, the Kodori canyon and along the Inguri River. The Georgian side plans to locate the UN headquarters in Sukhumi.

Meanwhile, the Abkhazian side, said Ioseliani, continues insisting on the deployment of peacekeepers along the confrontation line on the Inguri River.

I do not know how the talks will proceed, but our plan was approved by the UN and Russian representatives, said Ioseliani.

He also said that according to the Russian side the deployment of 2,500 peacekeepers would not be an adequate number.

The talks in Geneva continue on April 13.

More on Shevardnadze's Support of NATO Strikes

LD1204200894 Tbilisi First Program Television Network in Georgian 1600 GMT 12 Apr 94

[Text] In an interview with a SAKINFORMI correspondent, Georgian head of state Eduard Shevardnadze made the following statement in connection with the bombing by NATO planes of Bosnian Serb positions near the town of Gorazde:

This operation can be viewed not only as an isolated incident but also as the first serious attempt to counter the phenomenon of war with force. This was a serious test for the principle of establishing peace by force. The incident should serve as a lesson to all aggressive and irresponsible parties, be it a nationalist or separatist force.

It is necessary to honor obligations undertaken by an agreement, especially if international organizations are involved. In the event of the opposite happening, in the world today there is a more powerful and just force, such as the United Nations and NATO, which is capable of neutralizing an aggression such as this.

It must be noted that in planning and carrying out such major operations, the practice of political consultation with leading states, especially, the permanent members of the UN Security Council, should not be ignored.

South Ossetia To Declare Independence

LD1204183794 Tbilisi IBERIA in Georgian 1445 GMT 12 Apr 94

[Text] Tskhinvali, 12 Apr—IBERIA has been told by General Nodar Tatarashvili from the Tskhinvali headquarters of the Georgian peacekeeping forces in South Ossetia that the second round of elections to the so-called South Ossetian people's nikhas [parliament] ended on 11 April. Its results will be promulgated in the next few days.

An IBERIA correspondent reports, citing reliable sources, that the newly-elected parliament of the Autonomous Republic of South Ossetia will declare the republic independent at its first session.

Zugdidi, Gali Refugee Situation 'Aggravated'

LD1204194094 Tbilisi First Program Television Network in Georgian 1600 GMT 12 Apr 94

[Text] We have learned from reliable sources that the situation in Zugdidi Rayon has been aggravated recently by a campaign conducted in Gali Rayon by Abkhaz separatists. The Abkhazians are trying to persuade the local population to influence their relatives, who fled to Zugdidi and neighboring areas, to return to Gali Rayon. They say the tragedy which took place in Gali Rayon was

just a misunderstanding between the Abkhazians and Mingrelians and that it is necessary to restore traditional kinship ties between them.

At the same time, the Abkhazians promise to introduce the Mingrelian language [spoken by Georgians in Mingrelia and Abkhazia] in Gali Rayon schools and to register the local population as Mingrelians. Refugees who have returned to Gali Rayon were issued with a so-called registration card, giving their nationality as Mingrelian.

It seems that the agreements on the return of the refugees and on a peaceful settlement of the problem of Abkhazia reached at the recent talks have caused anxiety among the most extreme Abkhaz separatists. Therefore, they resorted to the dirtiest trick of all and decided to pit the population of Mingrelia against the rest of Georgia.

Parliament Fails To Continue With Ministers' Confirmation

LD1204184594 Tbilisi Radio Tbilisi Network in Russian 1508 GMT 12 Apr 94

[Text] A meeting of the Georgian parliament set for 12 April did not take place. Only 60 out of the total of 223 parliamentarians arrived at the meeting, with the quorum being 112.

The parliament had been expected to continue the confirmation of members of the Cabinet of Ministers and to discuss a number of pressing issues in the life of the republic.

Council of Ministers Declares Spring Draft

LD1204173994 Moscow ITAR-TASS in English 1634 GMT 12 Apr 94

[By ITAR-TASS correspondent Albert Kochetkov]

[Text] Tbilisi April 12 TASS— Georgian Cabinet of Ministers has declared a spring draft in the Armed Forces of the country. It will be held from April 20 to July 1 and citizens from 18 to 25 years of age, who do not have a right to delay their recruitment, will be recruited.

According to an inter-governmental agreement, about 600 draftees will serve together with Russian border guards on the Turkish border. They join on a voluntary basis the "Georgia" armed group of the Caucasian special district of Russian border-guard troops on the Turkish border.

The special district was created in March, this year, following a decree by Russian President Boris Yeltsin. It includes the relevant armed groups in the Transcaucasian region: "Georgia", "Azerbaijan" and "Armenia".

As against Russian conscripts, Georgian draftees will be administered not to an oath, but to a solemn obligation.

Drafting of Reservists for Service Abolished

PM1204085794 Moscow KOMSOMOLSKAYA PRAVDA in Russian 9 Apr 94 p 1

[Unattributed report under the "INFORM" rubric: "All Quiet at the MORG [Republic of Georgia Defense Ministry]"]

[Text] In its three years of independence the Georgian Army has fallen short of 300,000 draftees. People in the republic use any methods to evade service, and the most widespread of them is bribery. Plus desertion, which is not subject to any record-keeping at all. Even the Republic of Georgia Defense Ministry headquarters is 15-20 percent undermanned.

Nevertheless, Major General Guram Nikolayshvili, chief of the General Staff, yesterday delivered a statement abolishing the drafting of reservists for service. According to him the 20,000 personnel at the Defense Ministry's disposal are quite sufficient to solve any problems of this department and the country as a whole.

Lithuania

Swedish Commander Says Arms Embargo May End

WS1204121694 Tallinn ETA in English 0711 GMT
12 Apr 94

[From April 12 EESTI SENUMID, P.EVALEHT, HOM-MIKULEHT, p.3,1; "News Bulletin" No. 69/94]

[Text] Commander in Chief of the Swedish Armed Forces General Bengt Gustafsson [name as received] arrived for a two-day visit in Tallinn yesterday. He met President Lennart Meri, Defence Forces Commander in Chief General Aleksander Einseln and Defence Minister Indrek Kannik. A news conference was held in the evening.

General Gustafsson announced that the strict rules concerning the export of Swedish weapons prevent the sale of arms to the Baltic states. But the embargo may be lifted in the near future as the Baltic conditions will meet the requirements of Sweden's legislation, he added. General Gustafsson explained that Swedish-Estonian military cooperation would primarily take the form of training. The first programmes may be started this autumn already, he said.

General Einseln stressed the importance of cooperation with Sweden considering its closeness and the good relations.

General Gustafsson is to visit Narva, the Viru Infantry battalion in Jdhuvi [as received], and Tartu today. He is to leave for Riga in the evening.

New Regulations for Russian Army Officers Planned

LD1304000094 Moscow INTERFAX in English 2101
GMT 12 Apr 94

[Text] The Estonian Defense Ministry is working on new entry regulations for Russian army officers. This was announced at a Tuesday news conference by Prime-Minister Mart Laar.

He said the old regulations were good when the withdrawal of troops was proceeding according to plan. However, the pullout has almost stopped. Now an applicant will have to clearly state which unit he is going to, for how long and when the unit is going to be withdrawn.

Estonia says there are about 2,500 Russian soldiers and officers in Estonia. At a regular round of talks at the end of last year the Russian side suggested completing the withdrawal by August 31, 1994. It demanded automatic residence permits and other social guarantees to retired Russian army officers. As the Estonian side refused to offer them, Russia said it might change the suggested deadline of the withdrawal.

Minister Receives Chinese Business Delegation

WS1204121894 Tallinn ETA in English 0711 GMT
12 Apr 94

[From "News Bulletin" No. 69/94]

[Text] A Chinese business delegation is on a two-day visit to Estonia, Foreign Ministry Spokesman Marko Kadanik announced. The delegation met Economy Minister Toivo Jurgenson yesterday, who explained the functions of the Economy Ministry and the economic-political background of Estonia. The delegation is interested in gathering information and making business contacts, particularly concerning paper and cellulose industry.

Session With EFTA Termed 'Informative'

WS1204170494 Tallinn BNS in English 1307 GMT
12 Apr 94

[Text] Tallinn, Apr 12, BNS—The second session of a joint commission of the European Free Trade Association [EFTA] and Estonia on April 11 in Tallinn was informative, Foreign Ministry Deputy Chancellor Priit Kolbre told BNS. The participants surveyed their countries' economic situation and cast a glance on the future.

The session underlined the importance of the free-trade agreements Estonia has concluded with EFTA member states. The Baltic republic's major trade partners among EFTA members are Finland and Sweden, but contacts are maintained also with Norway and Switzerland, Kolbre said.

The session was attended by representatives from six EFTA member states as well as the EFTA secretariat. The trade organization was officially represented by Ambassador Veijo Sampovaara from the Finnish Foreign Ministry. EFTA Secretary General Georg Reisch also attended the meeting.

The relations between EFTA and Estonia rest on a cooperation declaration signed in 1991 in Geneva, which affirms mutual readiness to create conditions for commercial and economic cooperation with the eventual aim of establishing a free trade regime.

The EFTA-Estonian joint commission first met in 1993 in Stockholm.

Round of Free-Trade Talks Projected With EU

WS1204170394 Tallinn BNS in English 1307 GMT
12 Apr 94

[Text] Tallinn, Apr 12, BNS—An unofficial round of free-trade talks between the European Union [EU] and Estonia takes place today and tomorrow in Tallinn, Foreign Ministry Deputy Chancellor Priit Kolbre told BNS.

The meeting is another step toward a free-trade agreement. Kolbre said there will be at least two more rounds of negotiations.

The groups of experts meet today for general discussion. They continue talks at ministries and sum up the results tomorrow.

Flux of Kurdish Refugees Continues

WS1204202994 Tallinn ETA in English 1857 GMT 12 Apr 94

["News Release"]

[Text] Tallinn, April 12—The flux of Kurdish refugees through Estonia, most probably with an intention to reach Sweden, continues. The Boarderguard Board told ETA, on Tuesday [12 April], that on Sunday an Estonian was detained in Narva who tried to illegally import from Russia a six-member group of Kurdish refugees. The Kurds escaped back to Russia, where they were detained by a Russian borderguard patrol.

Acting head of the Estonian Detainment Institutions Board Valeri Kravets told ETA, on Tuesday, that there were 137 Kurdish refugees in Estonia at present on whom documents were being prepared in order a decision could be made as to their internment. During the two-month internment period, the Migration Board has to decide whether to deport the Kurds or to grant them a status of refugees, residence and working permits.

Kravets said that at Harku Prison there were 22 Kurds whose future has not been decided. At Maardu, 8 Kurds are detained, who have been in Estonia for more than three months and have been granted another two months of internment time. Kravets said it was not understandable why the solution of the problems was dragged because the accommodation and feeding of the Kurds costs a lot to Estonia.

Estonian Prime Minister Mart Laar told a press conference on Tuesday that government still had no money to build a permanent internment camp. He added that it was however much more important to set a better mechanism in order the Kurds will not come to Estonia illegally, the possible solution being better work of the borderguard. Those Kurdish refugees that have come here illegally have to be sent back to where they came from, he said.

Tourism Major Foreign Exchange Earner in 1993

WS0704180994 Tallinn BNS in English 1648 GMT 7 Apr 94

[Text] Tallinn, Apr 07, BNS—The tourism sector was in 1993 the second-biggest foreign exchange earner in Estonia, Bank of Estonia spokesman Jaanus Kroon said today at a briefing at the Estonian Tourist Board.

Tourism was preceded by transport and followed by construction, Kroon added.

Estonia last year exported tourism services worth nearly 659 million kroons. Import of tourism services over the same period amounted to almost 336 million kroons.

Travel agents and tour operators accounted for 59 percent of the exports and 25 percent of the imports. Apparently most Estonians travel abroad without availing themselves of the services of tourism companies, Kroon said.

Finns accounted for 80 percent of the tourists visiting Estonia; 40 percent of them were so-called "shopping tourists."

Obviously, tourism is one of the country's principal sources of revenue and the state should give serious attention to promoting the sector. The Bank of Estonia fully subscribes to this opinion of the Estonian Association of Travel Agents, Kroon stated.

New Staff Takes Over RAHVA HAAL

PM1204105994 Moscow IZVESTIYA in Russian 12 Apr 94 p 3

[Report by Leonid Levitskiy: "Estonian Government Gets Rid of Awkward Newspaper"]

[Text] Tallinn—RAHVA HAAL (Voice of the People), one of the most popular and influential newspapers, has lost literally everything—its autonomy, all its journalists, and its voice. The latest issue has been produced by a new team catering for the ruling Fatherland Party. According to Toomas Leito, RAHVA HAAL's former editor, the collective has been punished for refusing to serve as this party's instrument.

Following Estonia's proclamation of independence, Edgar Savisaar's government made RAHVA HAAL a state joint-stock company.

Throughout this period RAHVA HAAL has been the Estonian state newspaper. It has upheld its interests and those of the Estonian nation vigorously, forthrightly, and not always objectively in my view. In terms of its number of subscribers it is Estonia's second newspaper. While ceasing to be an official press organ de jure it remained one de facto. But the journalists, primarily the editor and the editorial collegium, did not identify the state with the latest government, or the Estonian nation with the ruling Fatherland Party. Journalists consistently opposed the government's economic and social policy. And the authorities evidently grew tired of putting up with this opponent. RAHVA HAAL was put up for privatization. Young and rich entrepreneurs from Fatherland Party circles won the tender. But the "victory" was so equivocal that the privatization council, scared at society's abrupt response, immediately canceled the results of the tender.

Following the abortive cavalry charge with kroon in hand the government carried out a purely political attack—and dismissed Editor Toomas Leito. Haste went

hand in hand with carelessness, a breach of the law—the first order had to be abrogated and a new one issued, formulated in more precise terms. Then the whole collective bar one man handed in their resignation. They began publishing the newspaper EESTI SYNUMID [name as transliterated] (Estonian News) with Toomas Leito as its editor.

Even the protection of Europe's organizations of journalists did not have an effect although the government is usually sensitive to European opinion. In last fall's municipal elections, the Fatherland Party suffered a major defeat. There will be parliamentary elections in a year's time, and the Fatherland Party is in a hurry to assert its ideological monopoly.

"While examining the most acute problems of the day from the position of the poorest population groups, RAHVA HAAL is failing to take notice of key aspects in the recent past," a member of the Fatherland Party asserts. That is unforgivable for a newspaper that is geared to the opinion of the poor, in other words the opinion of most voters, and enjoys their trust. According to official statistics, 5 percent of the republic's inhabitants are rich and around 20 percent are middle class, while the rest are poor....

Will the government not try to do the same to other newspapers? "We are particularly alarmed by the Russian-speaking press, which sometimes engages in patently antistate propaganda (MOLODEZH ESTONII, ESTONIYA)," the Fatherland Party's official organ stressed.

If the Fatherland Party starts combating the Russian-speaking press by publishing its own "pro-Estonian official" newspaper, that is an exclusively party matter. But the easier and more tempting option is to make short shrift of ESTONIYA and MOLODEZH ESTONII. That is possible now that RAHVA HAAL has effectively been knocked out.

Spring Armed Forces Conscription Numbers 780

WS1204171194 Tallinn BNS in English 1307 GMT 12 Apr 94

[Text] Tallinn, Apr 12, BNS—During spring conscription from March 29 till April 10, only 780 men out of a planned 1040 turned up for service in the Estonian defense forces, the Defense Ministry told BNS.

The majority of the conscripts, 561 men, are going to serve in the army; 165 were sent to the border guard forces, 36 to the internal defense regiment, and 18 to the rescue regiment.

Conscription proceeded successfully in East Virumaa, Jarvamaa and the town of Valga, while Tallinn, Tartu and the Laane region had problems with meeting their quotas of conscripts.

The next round of conscription is scheduled for June 25 through July 5, the Defense Ministry press service informs.

Official Says 7-8 Strong Mafia Groups in Operation

WS1204172194 Tallinn BNS in English 1307 GMT 12 Apr 94

[Text] Tallinn, Apr 12, BNS—There are seven or eight strong mafia groups in Estonia, Sergei Kozlov, deputy chief of the Tallinn police force, claimed at a press conference today. Most of their members are non-Estonians, he said.

Kozlov said the so-called Riga, Perm, Novosibirsk, Krasnodar, Azerbaijan and Chechen groups are all great powers in Estonia. The only Estonian group of note in the underworld is the Saha-Loo or the so-called "poultry complex" gang, he said.

The police chief claimed the groups concentrate round people most of whom live since long in Estonia and carry permanent residence permits.

Igor Kalinin, one of the leaders of the Riga group that had of late gathered strength in Estonia was recently killed in Tallinn.

Kozlov told reporters Kalinin's slaying was an unpleasant surprise to Tallinn's criminal police, since the police had been able through him to keep the activity of the group in check to a degree.

"Now a new man will take over and we haven't the slightest idea who he is or which way organized crime will turn," Kozlov stated.

Latvia

Riga Awaits Repeal of Russian Decision on Bases

LD1304062594 Moscow ITAR-TASS in English 0426 GMT 13 Apr 94

[Text] Riga April 13 ITAR-TASS—Negotiations between Riga and Moscow will not resume unless Russia repeals Boris Yeltsin's order to create military basis on the territory of Latvia, Prime Minister Valdis Birkavs announced on Tuesday night. He said all opportunities must be used to achieve more favourable conditions for the signing of an accord between the two countries.

Birkavs expressed hope that foreign investors would help repatriate retired Russian servicemen. The prime ministers of Latvia and Estonia will discuss their common stand on these issues at the forthcoming meeting on Friday.

Ministry: Number of Military Pensioners Growing
WS1304093194 Riga DIENA in Latvian 5 Apr 94 p 1

[Article by Nellija Locmele: "It Is Impossible To Annul One of the Agreements With Russia"]

[Excerpt] Riga, 4 Apr.—[Passage omitted] The information center of the Latvian Defense Ministry has disseminated information saying that the headquarters of the Russian Northwestern Army Group is carrying out intensive activities aimed at increasing the number of retired Army servicemen in Latvia. A large scale demobilization of officers is said to be currently under way on the Latvian territory; many of the officers of liquidated units are being transferred to regular posts in other units stationed in Latvia; warrants for permanent residence are being requested from the Immigration and Citizenship Department in districts where there are no Army units officially stationing in Latvia; military servicemen of the Russian Army are illegally obtaining passports with Latvian residence registration, in order to infiltrate later among the Latvian population; military pensioners engage in commercial ventures, establishing their own companies and creating security brigades for their protection, which can be later used in armed actions against Latvia.

Data Presented on Discharged Military in Latvia
LD1204184894 Riga Radio Riga Network in Latvian 1600 GMT 12 Apr 94

[Text] Today, the command of the Northwestern Group of Russian Forces submitted to the Latvian bureau for monitoring the Russian troop withdrawal data on the number of discharged Russian military personnel living in Latvia. According to this information, 21,976 discharged Russian military personnel live in Latvia at the moment. The majority are over 60. More than 3,000 discharged Russian military personnel living in Latvia are Latvian citizens.

Since 28 January 1992, when Russia officially took over the former USSR armed forces, almost 2,000 military personnel have been discharged from service in Latvia and have not left for Russia. The report explains that these people are waiting for apartments in Russia and will leave Latvia after they receive them.

Ilgonis Upmalis, head of the Latvian bureau for monitoring the withdrawal of the Russian army, will also send this information to State President Guntis Ulmanis.

Ministry Protests to Belarus Over Minorities
LD1204175194 Riga Radio Riga Network in Latvian 1400 GMT 12 Apr 94

[Text] The Belarus Foreign Ministry has received an official note from the Latvian Foreign Ministry asking for an explanation about Belarus Foreign Minister Petr Kravchanka's statements about the discrimination against Belarusians in Latvia.

On 5 April, after the talks with UN Secretary General Butrus-Butrus Ghali, Kravchanka stated that one of the main subjects of the talks was how Latvia and Estonia carry out their duties as regards Belarusians living there and the predicament of Belarusians in those countries.

Kravchanka accused the two Baltic states and said that Belarusians living in Latvia and Estonia suffer from certain discrimination. He did not exclude the possibility of Belarus proposing that the United Nations pass a resolution on the legal status of Belarusians in the event it is not improved.

Ulmanis, French Premier Discuss Ties With Russia

LD1204173194 Riga Radio Riga Network in Latvian 1400 GMT 12 Apr 94

[Text] Latvian President Guntis Ulmanis spent today on a working visit to Paris where he met French Prime Minister Edouard Balladur and Foreign Minister Alain Juppe. They consulted on Latvian-Russian relations and on the agreements initialled on the withdrawal of the Russian Army.

France proposed that Latvia use the so-called Balladur plan—the European security and stability pact, to tackle these problems. The inauguration of the pact is scheduled to take place in Paris at the end of May. The pact provides for the involvement of third countries in tackling neighborly relations between two countries. Latvia has supported the Balladur plan. However, specific problems which Latvia would wish to tackle in the framework of the plan are still under discussion.

Russia's attitude to the Balladur plan is not yet clear. Foreign Minister Juppe expressed the idea that France may play a mediating role at the Latvian-Russian talks.

France's Juppe Pledges Support Over Russian Army

LD1204180094 Riga Radio Riga Network in Latvian 1700 GMT 12 Apr 94

[Excerpt] [Passage omitted] French Foreign Minister Alain Juppe approved of Latvian-Russian interstate agreements initialled on 15 March, because Russia would undertake the internationally controlled commitment to withdraw its troops from Latvia by 31 August. According to Juppe, Latvia can rely on French support on the issue of the Russian Army withdrawal. He also said that France has always considered that the army has to be withdrawn unconditionally and it cannot be related to other issues, for example the status of Russian-speaking residents in Latvia.

Juppe supported Latvian President Guntis Ulmanis' proposal to set up an international support fund to eliminate the consequences of the work of the Skruna radar station and the social tension caused in Latvia by Russian military pensioners. According to Ulmanis, with

the creation of such a fund talks would continue and internal political crisis in the Baltic region would be abated.

Russian Consulate To Open in Daugavpils

WS1204125694 Riga LETA in English 1035 GMT 12 Apr 94

[Text] Daugavpils, April 12, LETA—From April 15 the Consulate of the Russian Federation is due to begin performing its duties in the town of Daugavpils, reported the Consul of the Russian Federation in Daugavpils, Gennadiy Kaznacheev.

He also said that the officials of the consulate will provide the entire complex of its services. The consul will receive residents personally jointly with his aid. During the coming days technical workers are expected to come from Russia to assist.

Consulate Opens in Liepaja

WS1204125794 Riga LETA in English 1035 GMT 12 Apr 94

[Text] Liepaja, April 12, LETA—The Russian Federation's General Consulate has been launched in the town of Liepaja. Though the leased building is still in the process of repair, the consulate began performing its functions on Monday [11 April].

EFTA, Government Committee Meets on Cooperation

WS1204170694 Tallinn BNS in English 1307 GMT 12 Apr 94

[Text] Riga, Apr 12, BNS—The mixed committee of the European Free Trade Association [EFTA] and Latvian Government meets Tuesday [12 April] in Riga to discuss economic situation in EFTA member states and Latvia in view of the process of European integration.

The exchange of technical assistance programs and joint projects will be another issue on the meeting's agenda.

The basic cooperation agreement between EFTA and Latvia provides for assistance in statistics, customs work and state order policies.

The declaration on cooperation between EFTA states and Latvia was signed in December, 1992, in Geneva. The parties to the declaration made a commitment to investigate cooperation opportunities with a view of creating the conditions for free trade relations.

The first meeting of the EFTA-Latvian mixed committee took place in April, 1993, in Stockholm.

The second meeting will be conducted by Latvian Economics' Ministry's Juris Cebulis and EFTA's Veijo Sam-povaara. The EFTA delegation also includes its Secretary General Georg Reisch.

EFTA member states are Austria, Iceland, Liechtenstein, Norway, Finland, Switzerland and Sweden. Four of them, Finland, Norway, Sweden and Switzerland, have free trade agreements with Latvia. A similar agreement could be signed between Latvia and Iceland soon.

Phone-Tapping Facility Found in Newspaper Office

WS1204172794 Tallinn BNS in English 1307 GMT 12 Apr 94

[Text] Riga, Apr 12, BNS—A tapping facility was found Monday [11 April] in the premises of the DIENAS BIZNESS (Daily Business) newspaper in the Press House, Chief Editor Juris Paiders said.

Paiders had suspicion already earlier that conversations in his office were being overheard: facts discussed in a narrow circle became known to others before publication or without publication.

Independent experts, invited by Paiders to search the rooms, found phone-tapping equipment in a telephone switchbox.

The experts also showed how conversations in the room can be heard out in the street.

One of the group told Paiders that the equipment was installed unprofessionally. But he did not rule out that more facilities were hidden in the editorial office.

Paiders submitted an application to security service chief Juris Vectirans and asked to clear out the incident.

Paiders claims that the problem is of great importance to the Latvian security because conversations of journalists often contain information that can be used to blackmail or indict someone mentioned.

Lithuania

Lithuania Stalls Housing Project in Kaliningrad

OW1304082494 Moscow Ostankino Television First Channel and Orbita Networks in Russian 1845 GMT 4 Apr 94

[Stanislav Chekalin video report from Kaliningrad; from the "Utro" program]

[Text] The case of the Lithuanian Selma Construction Association has become a strange, almost detective story. It was building housing in Kaliningrad for families of officers being withdrawn from the Baltic states.

We have often talked about Vladis Laurinavichius, director general of Selma, who concluded a private contract with the Russian Defense Ministry to develop a residential area of 2,000 apartments and about the impressive construction site that he began near Kaliningrad that provided work for several thousand Lithuanian construction workers. The Russian Defense Ministry in

turn was a reliable contractor and by agreement turned over part of the Baltic Fleet's property, money, and oil as barter to the Lithuanian side. In return it was to receive quality housing.

It would seem that one could ask for nothing more, that a mechanism for a civilized and mutually beneficial solution to the troop withdrawal problem had been found. This was precisely what permitted the redeployment of units from Lithuania in a short period of time. However, it seems that this situation was not to the liking of representatives of the opposition, who are longing for power.

And then the Lithuanian special services unexpectedly arrested Vladis Laurinavichius for allegedly storing explosives in his apartment, on the very day he was planning to go to Kaliningrad to meet Russian Defense Minister Pavel Grachev.

[Video cuts to show Russian Defense Minister Grachev talking to camera]

[Begin Grachev recording] He, Vladis, was told that I am carrying a directive from the prime minister in which the payment terms were stipulated. In other words, I have brought the barter goods for them. We were supposed to settle with him with oil as we had envisaged. So, as you can see, I have the directive in my briefcase but I cannot hand it to the director general nor can I thank him. [end recording]

So it looks like a detective story, does it not? However, I think it has been written in a rather clumsy way and not in the best traditions of this style. One may ask: Why does a major businessman who deals with money totaling billions need to store explosives in his apartment? None of the representatives of Lithuanian Sejm deputies who arrived at the construction site could answer this question. However, they showed obvious eagerness to continue the Selma Association's work, however, in such a way that the profits would not go to the association but to designated government functionaries.

This position did not find any support among the Baltic Fleet command, which concluded the agreement with Laurinavichius and was confident of his responsibility, nor did it find support among Lithuanian construction workers. They declared that they are stopping work until their leader returns. This is what happens when politicians meddle in a normal and mutually beneficial business, said former Lithuanian Defense Minister Audrius Bytkiavichius, who defended Selma in several press articles.

In the meantime, the construction site is at a standstill and if some goodwill gestures are not forthcoming from the Lithuanian side, the conflict may unnecessarily complicate relations between the two states.

[Video cuts to shot of Grachev]

[Begin Grachev recording] Of course, I consider this to be a misunderstanding, moreover, because our relations

with the Lithuanian leadership are not bad. This concerns the withdrawal of troops and the issue of the residence of the Russian-speaking population. Of course, this unpleasant moment will not benefit Russian-Lithuanian relations. [end recording]

Premier: Russian Trade Rules 'Discriminatory'

WS1204170194 Tallinn BNS in English 1307 GMT
12 Apr 94

[Text] Vilnius, Apr 12, BNS—The head of the Lithuanian working group for talks with the CIS, Virgilijus Bulovas, disagrees with Prime Minister Adolfas Slezevicius that a dialogue between Lithuania and Russia has been ruptured.

The prime minister expressed such a view at a press conference in Vilnius last Thursday [7 April].

Allegations that talks with Russia broke off are unfounded, Lithuanian TV quoted Bulovas as saying Monday.

The negotiator said Lithuanian and Russian experts, dealing mainly with transportation problems, will be working in Kaliningrad all this week. At the same time, an agreement on employment of foreign citizens is being drafted and the restoration of border between Lithuania and the Kaliningrad region is underway. The sides also continue work on determining the boundaries of economic zones in the Baltic sea, Bulovas said.

But Slezevicius said there has been no reply to any of his letters to Russian Prime Minister Viktor Chernomyrdin and all attempts to arrange a telephone conversation failed. Lithuania's primary concern is a reciprocal agreement on the most favored nation trade status, which is yet to be ratified by Russia.

The Lithuanian premier said Russia carries out an aggressive policy with respect to the Baltics. In his words, the new Russian import-export regulations, which came into effect March 15, are "discriminatory."

The prime minister said Lithuania may respond with adequate measures, which would primarily affect the Kaliningrad region. Slezevicius said a possible retaliatory measure would be to impose limitations on the supply of Lithuanian electricity to the region.

U.S. Firm Winning Oil Terminal Bid Reported

WS1204175694 Vilnius TIESA in Lithuanian 5 Apr 94
No. 65 pp 1, 2

[Report by Terese Staniulyte: "The Americans Will Design the Oil Terminal. The Search for Builders Continues"]

[Excerpts] TIESA has already reported that the government announced the U.S. firm "Flour Daniel Williams Brothers" the winner in the competition for designing

the oil terminal in Butinge. We are acquainting the readers with the results of this competition in greater detail. [passage omitted]

The winner was expected to emerge in the first round of the competition in early February. However, the government decided then to continue negotiations with the first three winners: The U.S. firm "Flour Daniel Williams Brothers" which scored 91.5 points, the Italian company "Snamprogetti" (82 points), and "Techint" from Argentina (80.7 points). The same proposal also came from the consultants of the European Bank for Reconstruction and Development and the London-based Rothschild Bank.

The Butinge oil terminal will be designed to import and export oil and its products—the total of 12 million tonnes a year. Its construction was estimated at approximately \$170-200 million in February. If Lithuania had announced one winner, the latter could have dictated its own terms, which was unacceptable. Lithuania expected to reduce the costs of construction by extending negotiations.

A. Vazgilevicius, representative of the oil terminal construction management in Vilnius, has explained to TIESA how negotiations were arranged, and whether it was expedient to hold them if the winner was the same company as in the first round.

According to him, the three companies received packages of questions, while their responses were assessed by the same commission of government experts. The firms had to repeatedly specify some financial and technical terms of the terminal construction. Moreover, they had to indicate how they intended to use local building materials, labor force, to study the possibility of assembling the floating system at the Klaipeda shipyard, and to provide conclusions whether an additional port for service boats was necessary in Butinge.

As has already been said, all comparisons were made with the aim of reducing construction costs, which is important both for our state and the company that will design and build the oil terminal. After assessing the layout of the port, the subsidiary facilities, storages, and other criteria, "Flour Daniel" again emerged as the winner. In the opinion of the commission of experts, this company presented the best project and devoted the most attention among all firms to the employment of our building companies.

Attempts to "knock down" the price were also successful. Although A. Vazgilevicius could not tell the exact price, which is understandable, according to him, however, the costs "approximate \$135-140 million" with a few-million-dollar error. The sum will be specified with design work under way.

On 11 April, "Flour Daniel" representatives are coming to Lithuania to prepare and sign a contract. A. Vazgilevicius stated that this work might take about a week. The text of the contract is as yet nonexistent, and it will take

shape during negotiations by coordinating every issue. Although the Lithuanians have no experience in drafting such large projects, however, they are not afraid of this. According to A. Vazgilevicius, "we have official consultants of the British Government and support from other companies consulting on energy issues and working on the preparation of such typical contracts." Thus, the Lithuanians are not expected to lack competence.

Lithuania is also planning to invite a foreign engineering company that will examine proposals of design work. Asked by TIESA to explain the meaning of this assessment, A. Vazgilevicius replied that experts hired for small payment, who work in the sphere of supplies and building materials, will establish whether the prices offered by "Flour Daniel" are not overly high. Although these prices were linked with European costs, it might be possible to reduce them even more by way of negotiations. [passage omitted]

At a press conference last Thursday [31 March], Prime Minister A. Slezevicius said that the possibility of oil imports is the most important for Lithuania. Therefore, the first stage in erecting the oil terminal will be the construction of the floating platform in the sea and the laying of oil pipelines and, maybe, of one for oil products to Mazeikiai. This work will cost around \$70 million. The second stage will be the construction of storage facilities for oil and gas products on the sea coast and in Butinge, and the creation of facilities for the export of oil products.

The prime minister confirmed that construction will have to begin in the middle of this year and will last for a year and a half.

'Flour Daniel' intends to prepare the design documentation in four months. Thus, it should be ready by August. Asked by Tiesia whether any construction work will be performed over those four months, A. Vazgilevicius explained that he could not answer this question. "It will depend on our agreement with 'Flour Daniel'," he said. "It might happen that excavators will arrive in May and that an agreement will be reached to do something. Everything will become clear after representatives of the U.S. 'Flour Daniel Williams Brothers,' which will design and build the oil terminal in Butinge and perform its technical supervision, arrive to Lithuania, sit down to negotiating table, and 'untangle all the details'."

While the preparation of design documents is under way, the government will have to make its choice about the foreign firm to which it would entrust the construction of the terminal. According to Prime Minister A. Slezevicius, "Flour Daniel" could also be the subcontractor. [passage omitted]

Minister on Oil Terminal, Energy Prices

*WS1204163694 Vilnius TIESA in Lithuanian 7 Apr 94
No. 67 p 6*

[Interview with Energy Minister Algimantas Stasiukynas by Diana Medeliene in Vilnius; date not given: "The Search for the Guilty Between the Poles of Politics"]

[Excerpt] At two recent press conferences held in the Seimas building many complaints were voiced to energy specialists.

Energy Minister Algimantas Stasiukynas has told journalist Diana Medeliene about them.

[Medeliene] What is your opinion on the memorandum of the Homeland Union concerning the delay in the construction of the oil terminal?

[Stasiukynas] The accusations by former Prime Minister G. Vagnorius against the current government contained in the memorandum look rather strange. He himself had enough time and possibilities to resolve this problem.

I think that state officials and the public were quite well informed about the process of choosing the site for the oil terminal and about the negotiations with Latvia on the construction of a terminal in Liepaja. However, information is usually acquired by those who want it.

If the authors of the memorandum had showed some interest in the conclusions of foreign experts, they would have understood that most of the statements in this memorandum are incorrect.

Concerning the value of the state enterprise "Nafta," I would like to say that the refinery is worth more than the total value of its equipment and other assets as it can generate profit. The sale price of analogous West European refineries with considerably more up-to-date equipment does not exceed \$200-300 million, because there is a lack of demand. Therefore, statements that "Nafta" is a great asset that can save Lithuania demonstrate that some people are unaware of the current situation in the world oil market.

Regarding the terminal in Liepaja, the debate on the possibility of its construction did not interfere with the process of the oil terminal construction in Lithuania. After it had become clear that a large oil terminal cannot be built in Liepaja, we restricted ourselves to the protocol of intentions which envisions that Lithuanian economic entities can participate in its construction on a commercial basis. The statement that Lithuania is depriving itself of finances for the construction of a foreign terminal is absolutely groundless.

[Medeliene] Energy specialists are being reprimanded for high prices of energy resources. Society lacks sufficient information about the way tariffs and prices are set. Maybe, it is for this reason that each price hike is greeted with new attacks.

[Stasiukynas] I would like to compare the conclusions of the Seimas commission investigating the situation in the energy market with those of experts.

First of all, the trade in oil products. Members of the commission have claimed that oil products bought from the Mazeikiai refinery should be cheaper. These products are 15-20 percent more expensive than those bought on the market. Therefore, the production of the Mazeikiai enterprise is sold outside the country. The Mazeikiai thermal electric power station alone has bought petroleum residue from "Nafta" because the two enterprises are technologically connected. The energy system experienced losses due to that.

Lithuania has the lowest prices for energy resources by comparison with other similarly developed countries. This means that the energy management is not so bad. It is maintained that the growth of energy prices is the cause of troubles in most industries and agriculture. However, electricity and heating prices have risen two-fold over the entire period of inflation, while those of food, consumer goods, and various services have increased from three to 10 times. Energy prices will undoubtedly rise in the future, but at a lower rate. Incidentally, the energy generated at the nuclear plant is cheaper, because the plant uses nuclear fuel cassettes previously bought at lower prices. We will have to pay much more for them now. In our country, fuel prices account for 86 percent of the total energy costs, while in the West they do not exceed 40 percent. I would like to stress, however, that the rise in energy prices must be strictly coordinated with that of living standards. The steep price rise recommended to us by foreign experts is unacceptable to Lithuania.

Speaking about prices for supplying centralized heating, I would like to note that in Europe they are between \$40 and \$50 per one Gcal [gram calorie], that is, two or three times more expensive than in Lithuania. I regret that our ministry employees provided incorrect information about European prices. In the opinion of World Bank experts and specialists on energy prices, Lithuania's prices are extremely low, while credits will be extended to our country when these prices are economically reasonable. Thus, assessments are quite controversial. Therefore, the government has set up the Commission for Regulating Energy Prices on the initiative of the Energy Ministry, headed by the finance minister, which also includes representatives of all interested offices and organizations. Incidentally, the production of state energy concerns is cheaper than that of private companies.

We also share the opinion that industrial enterprises should not pay more for energy than residential units. Last year, residents paid 15 times less (three times this year) than enterprises. They are unable to pay the total price. Therefore, we must preserve compensation for another two or three years.

I would like to stress that the setting of energy tariffs is a state policy rather than an economic problem of energy enterprises. One takes into account energy prices in neighboring states when setting tariffs in one's own country.

[Medelienė] The press and the press conferences in the Seimas addressed the privatization of energy facilities. There have been different opinions on this topic. How could you explain them?

[Stasiukynas] The accusation that there are plans to privatize a small percentage of the assets at energy facilities sounds strange. Every economist should know what percentage of the stockholding at an enterprise accounts for. A very small portion of these assets should be privatized in the first stage. Later, enterprises should be turned into stock companies, issuing their stock, attracting capital for investment, and accumulating working capital. Such enterprises should further remain under state control. [passage omitted]